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The National Lawwriter

LIFE INSURANCE

FRIDAY, DECEMBER 1, 1933

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How John Elton crowded 30 or 40 years into 5 minutes



The Equitable CASE METHOD
enabled him to create an
estate with a stroke of the pen

Young Mr. Elton is married and
has two children, Ruth, aged six and
Edwin, four.

He earns a good income but has
not been able to get very far toward
reaching a cherished ambition -- to
provide an estate for his family. In-
deed they would be hard pressed if his
earning power suddenly stopped. Elton
one day decided to see how life insur-
ance could help, and he put the prob-
lem up to an Equitable agent.

After learning all the facts, the agent
said, "Why of course it can be ar-
ranged. I can work out a program
which will enable you to create that
estate immediately and take care of a
number of your pet ambitions also. It
can be a sizable estate too, such as
might take you thirty or forty years to
accumulate by uninsured savings."

The program developed was made
to Elton's measure, in accordance with
the highly individualized Equitable
CASE METHOD. His wishes were
provided for to the letter; a life in-
come for his wife, funds to be avail-
able for a college education when his
boy reached 18, a generous marriage
settlement for his daughter, an old-age
retirement income for himself.

This comprehensive estate, which
might otherwise require a lifetime to
accumulate, was "underwritten" by the
Equitable all within a brief five minutes.

Let an Equitable agent apply
the Case Method to your
financial problem

The Elton case is merely an illustration
of the Equitable method of fitting life
insurance to individual needs. Your age,
your income, your objectives in life and
many other factors are taken into ac-
count -- and then an effective, econom-
ical program is developed for your
consideration.



THE EQUITABLE

FAIR - JUST

LIFE ASSURANCE

SECURITY - PEACE OF MIND

SOCIETY

MUTUAL - COOPERATIVE

OF THE U.S.

NATION-WIDE SERVICE

Advertising the EQUITABLE CASE METHOD

For several years the "Case Method" has
been used in the educational training courses
of The Equitable. By means of it, Equitable
Agents have been taught to analyze a man's
need for life insurance, and to fit the policies
to his specific requirements.

The EQUITABLE "CASE METHOD" of
life insurance planning is now being brought
before the public in a series of advertise-
ments in national magazines and weeklies.
It is hoped thereby to acquaint the public
with the value of a careful study of the indi-
vidual's needs before a particular type of
policy is recommended. The advertising is
also designed to call attention to the fact that
Equitable Agents are especially trained to
render such a service.

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE UNITED STATES

Thomas I. Parkinson, President

393 Seventh Ave., New York, N. Y.



Security and Maximum Income

The above chart shows how large the annual income will be when a man and wife (of equal age) invest their savings in a Joint Survivorship Annuity in order to secure a fixed, guaranteed income so long as both or the survivor lives.

As you will notice, the annual return or yield on their single payment ranges from 6.7% if they are 60 to 12.4% if they are 80. And, of course, other age combinations give either larger or smaller returns.

Individual annuities are also available which would provide a still larger total income while both are living. But, since the income for the survivor would then be smaller, the choice of plan depends entirely upon needs and circumstances.

As for the security behind its guarantees, it is significant that the Phoenix Mutual, by its conservative financial management and 81-year record of service, has earned a degree of public confidence without which the following fact would not be possible.

In annuity income payments alone, the Phoenix Mutual is now distributing nearly \$3,000,000 a year.

In other words, Phoenix Mutual Annuities offer just what your clients want — security and maximum income.

It will be worth your while to keep this in mind. Or, better still, why not write today for a schedule of rates in order to have the facts at hand and ready for use.

PHOENIX MUTUAL LIFE INSURANCE COMPANY

Home Office: Hartford, Connecticut

Established in 1851

★ Alone in Its Field ★

Among the "Larger" Books—

★ THE UNIQUE MANUAL-DIGEST ★

Compiled and published by The National Underwriter Company

One of the so-called "larger" books was discontinued last year. Another specializes in financial exhibits and reports on companies. Still another is largely devoted to complete copies of policy contracts.

In the so-called "vest-pocket" field, the Little Gem Life Chart (published by The National Underwriter) stands supreme both in amount of information given and number of companies. In the field of the larger books the Manual-Digest is "Unique" in that it not only treats *all companies*, but *all departments of their information*.

But—

The Unique Manual-Digest is the **ONLY** book covering
ALL Companies in ALL Departments of Information

CHECK

We know of no other publication having so comprehensive a scope.

THESE IMPORTANT FEATURES

what the
Unique Manual-Digest
shows

what another
Large Reference Book
shows

FINANCIAL STATEMENTS

Tabular Classification of Items
297 Companies
62 Classified Items

{ NO FINANCIAL }
{ DATA SHOWN }

POLICY PROVISIONS

Standard Synopsis of Contract for
279 Companies
Covering all points except those
standard in every company.

Complete Specimen Contract for
136 Companies
Nine companies have 2 contracts
shown, one has five.

PREMIUM RATES

In full, every age for at least
16 Contracts ← (All other
254 Companies for at
least 3
ages).
25 Companies with 24-45 Contracts

In full, every age, usually for
10 to 13 Contracts
110 Companies

DISABILITY AND DOUBLE INDEMNITY

Shown for at least 5 year ages
for **all 254 Companies**

26 Companies with 21-26 Contracts
Shown for **only 23 Companies**.
Omitted for many large companies

SURRENDER VALUES

279 Companies
Five Year Ages, end of 3, 5, 10, 15
& 20 years for at least 5 contracts.

33 Companies
Every Age for 1, 2, or 3 contracts.

DIVIDENDS, COSTS

83 Companies
As many as 16 policies (present
scale). 20 years Actual History
for about 40 companies. Sum-
maries at 5, 10, 15 & 20 years,
present and history for 3 policy
forms.

23 Companies
Present scale and net cost sum-
maries of 3 policies at 4 ages. No
dividends shown for a number of
large companies.

GENERAL INFORMATION

428 Companies
Officers, territory, history, rec-
ord of dividend changes, analyses
of business, sub-standard, retro-
active principles, etc.

{ NOT }
{ GIVEN }

★ **Specify the**

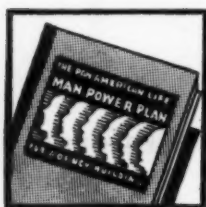
"Unique Manual-Digest" for 1934. It's truly comprehensive!

For further information write THE NATIONAL UNDERWRITER CO., 420 E. Fourth St., CINCINNATI, OHIO

WHAT EVERY AGENCY NEEDS

THE PAN-AMERICAN OFFERS ITS GENERAL AGENTS AND MANAGERS

A fact recognized by every leading Life Insurance company today is that it is impractical in most cases for the General Agent or Manager to develop individual systems for recruiting and training new men and for starting them off on a successful basis. The Pan-American Home Office has assumed the task of working out "standard" systems of this kind for the benefit of all of its general agencies and branch offices. A brief description of each is given below.



RECRUITING AIDS

The problem of securing new men in the agency is an ever-present one and often requires more attention than the General Agent or Manager can afford to give. The Man-Power plan, a direct-mail system maintained in the Home Office of the Pan-American, assists tremendously in the routine of recruiting. It is designed to save much of the time ordinarily spent in personal contacts with the prospective agent. The plan also lays a correct groundwork for subsequent Life Insurance training.

PROSPECTING SERVICE

Prospecting aids, including record forms and systems, form one of the most important features of the Pan-American's service to its agencies. The Home Office has maintained for more than ten years the Pan-American Interview Plan prospecting system—a direct-mail system under which interviews are guaranteed and which brings on the average a return of \$13.40 in commissions for every dollar of fees paid. The plan operates successfully both in cities and in rural sections.

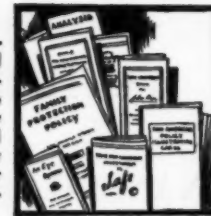


TRAINING NEW MEN

To afford the new recruit a fair chance at success in Life Insurance work and to spare him the discouragements of lengthy "apprenticeship", the Pan-American provides its agencies with a regular course of instruction, including such subjects as prospecting, the usages of Life Insurance, standardized sales talks, closing arguments and other phases of the business. The course is supplemented by other matter furnished by the company which includes weekly bulletins to agencies.

PRINTED SALES HELPS

The Life Underwriter of today is placing greater reliance than ever upon advertising—the printed word. With properly prepared illustrations, descriptive pamphlets, charts and analyses, he drives home his points more forcefully than ever possible by word of mouth alone. The Pan-American printed sales helps cover every sales angle—every policy issued by the company. They are adapted for personal use by the Fieldman or for use in pre-selling prospects by direct mail.

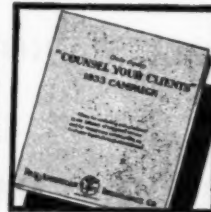


FIELDMEN'S WORK PLANS

More than one new recruit possessing full qualifications for success has failed from the start because of lack of a definite plan in his work. This subject, receiving greater attention from agency men today than ever before, is treated in one of the Pan-American's booklets for Fieldmen. The booklet includes complete information enabling the Fieldman to work out and follow a definite day-to-day plan of operation and has contributed largely to the success of representatives of the company.

CONSERVATION SYSTEMS

In recent years the importance of conservation has been strongly emphasized to Life Underwriters. The Pan-American maintains an efficient conservation department but in recent years has conducted more extensive "servicing" through the Field in its annual "Counsel Your Clients" campaigns. These campaigns afford company representatives the opportunity of contacting policyholders in the interest of both present and additional insurance and have brought splendid results.



THE AGENCY SERVICES ABOVE DESCRIBED, WITH THE EXCEPTION OF THE PROSPECTING SERVICE, ARE AVAILABLE WITHOUT COST TO PAN-AMERICAN MANAGERS AND GENERAL AGENTS. THEIR USEFULNESS IS OF AS GREAT ADVANTAGE IN ESTABLISHING NEW AGENCIES AS IN MAINTAINING ALREADY ESTABLISHED ONES.

Matching the above described agency services in attractiveness is the Pan-American's new contract for Managers. This contract, providing unusually liberal allowances in the early years to offset organization expenses, practically assures the success of newly established offices. However, it provides for no salary—paying only for performance—but for this it pays handsomely.

Pan-American policies include all modern life and annuity contracts, group and salary deposit insurance; income disability is still a feature of this company's insurance service.

Inquiries concerning openings in the territory listed opposite will be welcome. Only experienced Managers, between the ages of 25 and 45 and not now under contract, can be considered. Enclose photograph and give full information concerning experience and qualifications in first letter. Address communications to

TED M. SIMMONS, Manager United States Agencies

DOMESTIC TERRITORY

Alabama, Arkansas, California, District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Minnesota, Mississippi, Missouri, New Mexico, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Virginia and West Virginia.

If situated in the above territory and not under contract write for full information about the Pan-American agency proposition.



PAN-AMERICAN LIFE INSURANCE CO.

CRAWFORD H. ELLIS
President

NEW ORLEANS, U.S.A.

EDWARD G. SIMMONS
Vice Pres. & Gen. Mgr.

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Seventh Year—No. 48

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, DECEMBER 1, 1933

\$3.00 Per Year, 15 Cents a Copy

Pure Protection Is Losing Its Lure

Not Much Talk Now of Limiting Investment Side of Life Insurance

MORATORIUM NOT SO BAD

Change to Term Business Would Cause Violent Upheaval Not Good for Buyer

NEW YORK, Nov. 29.—As the policy loan moratorium slips far enough into the past to be viewed in perspective and the realization arises that after all it wasn't such a terrible thing for the business, there is less talk about the possible advisability of limiting the investment banking side of life insurance and stressing the pure protection side. Even discussion of further increases in the surrender charge scale has largely died down since the moratorium.

If there is any swing toward contracts stressing the indemnity rather than the investment feature it will be because that type of policy is regarded as more saleable. In periods of falling markets and declining commodity prices, the investment features of life insurance show up to better advantage than during a period of rising values. Any effect of inflation is likely to be to make the contrast still less favorable to investment life insurance.

Would Cause Violent Upheaval

Any real movement on the part of the companies to write the bulk of their business on a term basis would cause a violent upheaval in the business and gravely affect the insurance-buying public.

From the public's point of view the change would be disadvantageous in the long run, although temporarily it would seem as if the consumer were getting cheaper insurance. However, if life insurance is regarded in its true light, as protection for the earning period during which a man is building up his estate rather than as indemnity for a definite term of years, term insurance imposes a considerable hardship on the assured.

Would Have to Earn 5.35%

If a policyholder takes an annual renewable term policy and then attempts independently to build up a fund which will be equal to the cash value such a policy would have at say, age 65, if it had been taken on the ordinary life basis he would have to earn about 5.35 percent compound interest on his fund, according to figures compiled by President M. A. Linton of the Provident Mutual Life on the basis of rates and dividends of ten leading companies. Obviously the average or even the exceptional policyholder would have difficulty earning this much on his fund with anything like the degree of safety that a life company could assure him, to say nothing of the time and trouble an in-

(Continued on Page 18)

Advice to Policyholders of Collapsed Companies

There has been considerable controversy over the order issued by Superintendent O'Malley of Missouri, following the collapse of the Missouri State Life and the contract whereby the General American Life of St. Louis took over the business. The superintendent immediately promulgated a very sweeping pronouncement to the effect that if he found an agent of another company guilty of switching Missouri State Life business, either life or accident, and a commission had been paid, he would revoke the license of the institution and the agent. The order was unmistakable in its character and did not mince words.

Order Issued in Illinois

Following the collapse of the National Life, U. S. A., of Chicago, Insurance Director Palmer of Illinois, not so

as a destructive agency and subject to criticism by giving that kind of advice.

THE NATIONAL UNDERWRITER has received from a prominent general agent who is very conscientious in the counsel he gives, a letter in which he raises a number of questions regarding the duty of life salesmen or any in the business in connection with giving advice to policyholders of a collapsed company. He says in part:

"In my opinion we people representing sound legal reserve companies have been stultifying ourselves for the last five years. We have realized that there were certain companies that could not stand up under fire. We have known their condition. We have appreciated the fact that so far as the insurance end of these companies were concerned there was little, if anything, to criticize. We

Will there have to be a new code of ethics devised for life insurance salesmen in view of some legal reserve companies failing? Heretofore an agent has been asked to stand by the legal reserve plan as a great, impregnable system of beneficence. We now have had a few failures of life companies. The question arises in consequence as to whether it is ethical for an agent of a strong going company to transfer a man from a failed company or the company that takes over the business if he thinks the policyholder will be bettered by being in his company. The company that took over the business naturally feels that it has paid out its good money and therefore it is entitled to what it has purchased. It contends that it is not right for other agents to raid the business. The situation opens a new question.

commanding or threatening in tone, and yet quite direct, notified all companies operating in the state that Illinois at its last legislative session passed an anti-twisting measure which has teeth in it and where any sort of misleading or deceptive information is given the penalty is severe. Furthermore he urged companies to respect the Illinois law even in other states so far as the National Life, U. S. A., is concerned.

In both states, therefore, agents of other companies are in a measure manacled, so to speak, in giving advice that they feel should be given to policyholders of failed companies. Inasmuch as there had been no legal reserve life failures of moment until the last year or so, the question of ethics has not arisen in the premises but now the topic comes up in many directions.

Giving Counsel Believed Sound

An agent is asked to give advice to a policyholder of a failed company. In the agent's mind there may be no doubt as to what the policyholder should do. In some cases to advise a policyholder to drop his insurance would be an injustice to the assured. In other cases it would be to his decided advantage to drop his insurance and start out anew, many agents contend. But under the orders from insurance commissioners his hands are tied. Heretofore a man was regarded as a "twister" if he advised a policyholder in any legal reserve company to change his insurance. The agent may have been very sincere in questioning the permanency and solidity of the insurance and yet under the general code of ethics he would be regarded

have known, however, that those responsible for the management were wholly mercenary and grasping and that the unwise investment policy openly pursued would be their downfall. We have known that these officers have taken anything they could extract from their companies and have not felt that fine sense of responsibility that they should in a trusteeship relation. We were told that no policyholder in a legal reserve company had lost anything for a long period and even where we did not recommend a weak company outright we dodged the issue because we were informed that it was nefarious to speak in disfavor of another legal reserve institution.

Says Truth Will Be Told

"We have given our policyholders wrong advice in that we had knowledge that there were different gradations of legal reserve companies and some were wholly mercenary. So far as I am concerned, in spite of the injunction of any insurance department, I intend to tell people the truth if I know the truth about a company that I feel cannot survive and whose collapse will probably mean a lien on policies. Hereafter there must be a classification of companies and those that cannot come up to the standard will have to take the consequences.

"A policyholder finds he has a heavy lien on his policy with interest of 5 percent. His entire equity may be frozen. Even in a death benefit there will undoubtedly be the deduction of interest. How much of a lien will be placed on

(Continued on Last Page)

Valuation Issue Paramount Today

All Eyes Turned Towards Deliberations of Commissioners Next Week

OPINIONS CLASH AGAIN

Amortization of Bonds for Fire and Casualty Companies Taken for Granted—Stocks Big Question

NEW YORK, Nov. 29.—The committee on valuations of the National Convention of Insurance Commissioners will have the center of the stage at its meeting here next week when the state officials gather. The sub-committee that has been pondering and discussing the issue will meet Monday afternoon followed by a session of the entire committee. The sub-committee met here last week when it was apparent there will be two contending elements as there has been in the past.

Superintendent Van Schaick of New York desires some average value for stocks so that there will not be any arbitrary scale fixed by the quotations of some certain day, Dec. 31 for example. Some commissioners feel that the figures of Nov. 1 this year would reflect truer values than Dec. 31. Others would take the average of this year and last. Another coterie would fix values of both stocks and bonds as of Dec. 31.

Amortization of Bonds

Most commissioners will agree on the amortization plan in valuing bonds for fire and casualty as well as life companies. There will be some special formula for valuing defaulted bonds. The critical issue comes over valuation of stocks. At the meeting of the sub-committee it was felt a separate formula might be used for life companies. The feeling persists that particularly with life companies there must be some preferential treatment. Under such a plan there would be a careful analysis made of each company's position to ascertain what leeway could be allowed.

Most fire and casualty companies are pretty well washed out and would not be seriously affected by a strict market valuation; some however would be hit hard. The drift of opinion is that the commissioners will develop some more liberal formula for stocks.

An effort is being made to set up some valuation board under the auspices of the committee that will function permanently in analyzing securities and establishing a fair value. That of course would mean additional expense.

All agree that some more up-to-date method should be employed than the one now in use. The life companies through the American Life Convention special committee on municipal bankruptcy procedure as seen in the bill before Con-

(Continued on Page 18)

Lincoln National Is Awarded Royal Union Life Business

MUTUAL PLAN IS REJECTED

Lien of 50 Percent Established—Special Fund for Profits—Approved by General Agents

DES MOINES, Nov. 29.—Reinsurance of the Royal Union Life of Des Moines will be in the Lincoln National Life, Judge Dewey announced in federal court here.

The court last week rejected a recommendation of L. A. Andrew and E. W. Clark, receivers, that the general agents protective committee of the Royal Union be awarded the reinsurance contract. It objected to a provision in the contract that assets of the company be segregated to provide a \$400,000 reserve fund for the mutual which the general agents proposed to set up under the name of Royal Union Life Insurance Company (mutual). The rejection disposed of mutualization plans for the Royal Union.

Continued in Des Moines

The contract which will be offered by the Lincoln National for approval of the court, provides that the company will be continued here for 18 months, after which it will be removed to Fort Wayne. Present employees will be retained for that period, and all general agents of the Royal Union will be allowed to become general agents of Lincoln National if they so desire.

Under the contract all Royal Union policyholders may continue their insurance in the Lincoln National without added premium cost. No lien will be deducted from death claims for ten years. All outstanding death claims will be paid in full. Policies lapsed since the receivership of Royal Union will be reinstated in the Lincoln National Life without physical examination on payment of premiums due. A lien of 50 percent against all policies will be established to make up a deficit in Royal Union assets. Payment of cash surrender values and policy loans against Royal Union policies will be withheld for five years.

Special Fund for Profits

All profits of the Royal Union will be placed in a special Royal Union fund for 15 years to reduce the 50 percent lien. All assets and income of Royal Union business will be used for the sole

Wants U. S. to Curb Mail Order Insurance Selling

OLYMPIA, WASH., Nov. 29.—Action by the postal authorities to curb soliciting insurance through the mails in Washington is recommended by Commissioner Sullivan, as a result of the inability of a number of policyholders to collect from out-of-state companies. He points out that Washington residents buying by mail have no power to institute suits here against unlicensed companies.

Bill Changing Michigan Law Is Due for Speedy Passage

LANSING, MICH., Nov. 29.—A department-sponsored insurance bill is well on the way toward enactment at the special session of the Michigan legislature. It has been passed by the house and is now in the senate insurance committee, from which it is expected to emerge speedily.

The measure has two main purposes. It would enlarge the scope of the department's revolving fund, from which expenses of examiners have been paid when the Michigan department participated in examinations outside the state. The companies, of course, later repay this expense. Under the amendment contained in the bill the fund could be used to employ special examiners to conduct examinations of Michigan companies. The department's examining force, due to a curtailed budget, is extremely small, and the change would facilitate examinations within the state.

The other amendment seeks to clarify the law relative to taxation of premiums, so as to specify that renewal premiums shall bear the same tax as new premiums. In the present statute there is believed to be a possibility of misconstruction, of which some carriers might seek to take advantage.

benefit of Royal Union policyholders. There will be a reduction of premiums on participating policies and a discontinuance of income disability benefits.

The court pointed out that Lincoln National Life offered the best proposal for protection of the policyholders and that the general agents expressed a preference for this plan if their own was not accepted.

Enforcement of Existing Illinois Laws Is Objective

BEHRENS TELLS OF PROGRAM

Problem of Sound Insurance Vital Today, Head of Insurance Division States

The insurance division of the Illinois Chamber of Commerce has announced as its fundamental program for the coming year, cooperation with state authorities in enforcement of existing insurance laws. H. A. Behrens, president of the Continental Casualty and Continental Assurance, is chairman of the insurance division. This program is being undertaken on the theory that the question of sound insurance has never been more important to business and the public than today and that it is important that a large and representative organization should assume the responsibility.

Never More Important

"At no time," Mr. Behrens stated, "has the problem of sound insurance been more important to the interests of all concerned than now. The state of Illinois through its last legislature so strengthened its insurance laws as to insure its citizens the greatest degree of safety. The state administration has been active in enforcing these laws. It is thus proposed that the fundamental program of the insurance division should be devoted to the cooperation with state authorities in enforcing existing laws. Such a program would materially benefit the state administration; would be of direct benefit to the assured as a factor in building up their confidence, and would be of splendid assistance to sound insurance companies in Illinois."

The division will also carry on its regular program of fire and accident prevention and health conservation and will be ready to investigate such legislation as affects the assured primarily. The division will cooperate with the state chamber in its general program particularly specifying taxation and sound money as two major objectives at this time.

Associations to Hear Coffin

Vincent B. Coffin, superintendent of agencies Connecticut Mutual Life, will address the Charleston, W. Va., association Dec. 4 and the Peoria, Ill., association Dec. 8.

Peoria Life Mutualization Recommended by Shurtleff

PLAN IS APPROVED BY JUDGE

Palmer Checked in Efforts to Contest Appointment of Co-receiver by Circuit Court

Efforts of Insurance Director Palmer of Illinois to name his own sole receiver for the Peoria Life have been check-mated temporarily by refusal of Circuit Judge Niehaus of Peoria, who appointed as co-receiver the law partner of his son, to vacate his order.

Judge Niehaus took the motion of Attorney-general Palmer under advisement. Meanwhile G. A. Shurtleff, the co-receiver named in addition to C. V. O'Hern, Mr. Palmer's choice, urged mutualization as a means of saving the Peoria Life for Peoria and then appeared in court with a mutualization plan with which the judge indicated he was favorably impressed.

Will Carry Fight Further

There is no doubt but that Mr. Palmer will carry on a determined fight to maintain his control over the disposition of failed companies, as he is backed by opinion of Attorney-general Kerner that the law gives the insurance director sole right to appoint a receiver, the court's function being that of approving bonds. However, legal procedure demands that the judge enter an order on the motion to vacate before the matter can be carried to a higher court. Thus Mr. Palmer is temporarily blocked.

Judge Niehaus at a hearing Tuesday approved Shurtleff's mutualization project, setting date for hearing Dec. 4. At that time he proposes to pass on a detailed plan which Shurtleff is preparing. Shurtleff said he had a proposal ready but would not submit it until the insurance department had been given opportunity to go over it.

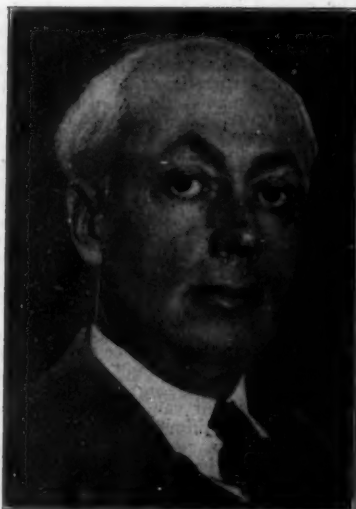
Gives Mutualization Argument

Director Palmer was present but took no active part in the procedure. Attorney-general Kerner was represented by D. J. Kadyk, an assistant, who asked the court if the order prevented submission of any other plans. Judge Niehaus replied that it did not.

Mr. Shurtleff stated to the court that in a mutual company all assets belong to policyholders, the profits of the business going to them and they having

(CONTINUED ON PAGE 9)

OUTSIDE SPEAKERS AT LIFE PRESIDENTS' MEETING



DR. HARRY WOODBURN CHASE
Chancellor New York University



PAUL V. McNUTT
Governor of Indiana



EDGAR NELSON RHODES
Canadian Minister of Finance



ROY A. ROBERTS
Editor Kansas City "Star"

Submit 10 Bids for National of U. S. A.

Sears, Roebuck Enters List with Hercules Life, Now Being Formed

MUTUALIZATION OFFERS

Several Chicago Companies File Proposals, Some Contemplating Only Management Basis

Ten bids for taking over business and assets of the National Life U. S. A. of Chicago, were filed Tuesday with Receiver P. J. Lucey.

Interest exhibited in the National Life for some time before receivership by Sears, Roebuck, great mail order house, took concrete form in a bid filed in the name of the Hercules Life, organization of which by Sears, Roebuck for the primary purpose of this reinsurance deal is said to be nearly completed. The proposals were submitted by:

- Central Life of Des Moines (Mutual).
- Illinois Bankers Life, Monmouth, Ill.
- Life & Casualty, Chicago.
- Washington National Life, Chicago.
- Continental Assurance, Chicago.
- United Mutual Life, Indianapolis.
- Hercules Life, Chicago.
- United Benefit Life, Omaha.
- J. M. Crume for policyholders' committee.
- G. Guy Anderson.

Offers Management Contract

The bid of the Continental Assurance is on a management basis. This company had been urged by Insurance Director Palmer of Illinois to make an offer, so that at least one responsible Illinois company might be in the list. The letter transmitting the bid asked that it be considered non-competitive. Another bid which undoubtedly will be seriously considered is that by Attorney J. W. Cummings of Chicago in behalf of Raymond J. Hurley, for Mr. Hurley is the son of the late E. N. Hurley, wealthy Chicagoan and former chairman of the U. S. Shipping Board and high in the Democratic national party. According to Receiver Lucey Mr. Hurley and his associates propose to put into a rehabilitated National Life U. S. A. some \$2,000,000 cash. The company would be continued on a stock basis. Mr. Lucey was informed this bid would be filed within a few hours.

First Step Into Field

The Sears, Roebuck bid signalizes a first concrete step taken by that great house to enter the life insurance field, a matter which has been reported under consideration for many months. Sears, Roebuck a year or so ago entered another branch of insurance with the Allstate of Chicago, writing automobile insurance.

It is proposed to have capital and surplus each of \$500,000 for the Hercules Life. Publication of incorporation papers already has been made but charter and Illinois license have not yet been applied for. Completion of organization will depend entirely on obtaining the National Life U. S. A., according to officers of the Allstate. The president and treasurer of the Allstate, G. E. Humphrey, and Vice-president Carl L. Odell would head the staff of the Hercules Life.

The Sears, Roebuck bid calls for 100 percent coverage of all National Life death claims and a 50 percent lien on

(CONTINUED ON PAGE 17)

McNamara Agency Writes \$1,031,090 in Day Drive

The McNamara organization of New York City, general agents of the Travelers, in a one day campaign, Nov. 24, for the greatest number of lives submitted, hung up the record of \$1,031,090 on 284 lives written by 81 men between daylight and midnight. The agency some time ago in a similar effort while representing another company made an outstanding achievement.

B. D. Lowry submitted complete papers on 35 lives, writing the first application at 3:15 a. m. and filing the last at midnight. His production was \$71,360. In the previous effort last year he was runnerup with 22 lives. His total this year is the largest amount submitted in number of lives written in one day in the entire history of the McNamara agency.

J. H. Greenbaum, a veteran of more than 30 years' life insurance experience, led all the office in volume with \$136,000 on 19 lives.

Ray Barbuti, American Olympic track champion of 1928, worked until midnight writing 11 lives. F. M. Minninger, Jr., was third with 14 lives for \$53,900; P. F. Broughton was second in volume with \$72,000 on ten lives.

Eleven men each produced ten lives or more, totaling 150 lives for \$527,030. Twelve men each exceeded \$25,000 in volume, writing a total of 127 lives for \$646,600. The Travelers \$100 a month income plan was responsible for 25 percent of the sales, or 72 lives.

There was preparation for several weeks prior to a breakfast meeting the day before the campaign. Inspirational mail matter was sent to the agents, the purpose being concealed until the last minute. A celebration meeting was held Nov. 27 addressed by D. J. Bloxham, supervisor of agency field service, who spoke on the \$100 a month plan.

Huebner and Lackey Feature Michigan Agents' Convention

LANSING, MICH., Nov. 29.—The Michigan State Life Underwriters Association held its annual meeting here with Dr. S. S. Huebner, dean of the American College of Life Underwriters, and George E. Lackey, Detroit general agent for the Massachusetts Mutual Life, as the principal speakers. J. A. Pino, Lansing district agent Mutual Benefit Life, was elected president succeeding H. M. Comins, Flint Massachusetts Mutual Life agent. Other new officers are: First vice-president, P. J. Crandall, Jackson; second vice-president, C. F. Yates, Ann Arbor, and secretary-treasurer, H. B. Thompson, Detroit.

G. S. Kies, of Lansing, head of the educational committee, told of progress made in placing authentic life insurance material in the schools through the so-called "Michigan plan" which he was instrumental in devising.

Huebner Gives Two Talks

Dr. Huebner gave two talks, one at a noon meeting sponsored by the Rotary club with some 250 Lansing business men as guests and the other before 150 or more agents.

In his talk Dr. Huebner discussed "Recent Life Insurance Events and Their Interpretation," particularly the moratorium orders, the effect of inflation, and other kindred matters. While not assuming a definite stand against any form of inflation he pointed out many of its possible evils, including the effect in reducing the actual value of insurance benefits through permitting the companies to pay out "cheap dollars" after policyholders have, throughout the depression, been paying "dear dollars" in premiums.

Dr. Huebner defended the insurance moratoria as fully justified in view of the situation confronting the companies when the nation's banking structure virtually collapsed last winter. He pointed to the comparatively excellent record of the insurance companies throughout the depression as proof of the soundness of this form of financial protection for the individual.

Emphasis on Potential Estate

Greater emphasis in selling should be laid on the "potential estate" or value of a man's life, Dr. Huebner said in his afternoon talk. He divided the potential estate into five assets as follows: the dollar value of character, education and training, initiative and creative power, and will power or perseverance.

Education of a life insurance salesman, Dr. Huebner said, is of great importance to his success. He deplored the attitude of managers who reject novices because they do not wish to train them. With proper training, he emphasized, the underwriter generally stays in the business and makes a success of it. He cited figures from his own school showing that 94 percent of the graduates were still in life insurance 10 years after leaving school.

Outstanding Opportunities

Mr. Lackey brought out some of the outstanding opportunities for selling various forms of life coverage today in his talk on "The Present Market." He gave the results of a recent analysis of the business of his Detroit general agency. Of 993 sales to persons in more than 800 occupations, 146 represented students and junior cases, he said, with other divisions as follows: Teachers and professors, 91; salesmen, 76; executives, 71; clerks, 62; managers, 61.

Leaders for which Mr. Lackey gave tips for promotion were: junior insurance, family income, partnership and corporation, monthly budget, and the openings presented through policy options. Junior insurance may be pushed by any number of novel plans, he said, with coin banks as outstanding aids in developing this business. The family income policy is adapted particularly to present day conditions, he said, since it buys a maximum income protection at minimum cost.

Partnership Easy to Sell

Lessons taught the small business man throughout the depression as to the virtual necessity of having an available surplus make partnership and corporation insurance relatively easy to sell at this time, he said. The monthly budget plan of insuring employees is particularly attractive to many employers, he said, since the depression has forced abandonment of numerous pension and investment savings schemes.

Relative to options, Mr. Lackey urged the underwriters to "sell the third page of your policy." "To me," he said, "this contractual distribution of money over a period of months and years, gratis, with the investment service of our great life insurance institutions back of it, is one of the finest things we have to offer the public and there is absolutely no competition in it." The options, he said, offer many opportunities for selling additional coverage.

Stress on the single premium plan of purchasing life insurance provides a good approach in interviewing that class of prospect known to have substantial incomes, he said. Mr. Lackey stressed the importance of selling for a specific purpose. This results in fewer lapses. Educational and income policies, he said, are the last dropped when financial stringency is felt.

The prospect of inflation does not
(CONTINUED ON PAGE 18)

College Graduates

These considerations keenly interest college graduate prospects for the life underwriting profession:—

No other semi-professional business excels life underwriting in its sterling attractions as a lifelong vocation. The magnitude of the institution, and its usefulness in all departments of the life of the people, assure expanding possibilities of profit, and the contract of employment permits sole ownership of a permanent, personalized business. And especially the graduate of a business science school finds that the foundation of his underwriting work has already been laid, and that his instruction in the necessary life insurance superstructure will be the more easily acquired.

Agency managers report that college graduates, of the right type, develop rapidly, because disciplined minds grasp quickly, absorb deeply, and therefore use with early effectiveness.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

88-Year Record of Protection to Policyholders

Throughout all the years—during every panic, every war and every epidemic down to the present hour—the New York Life Insurance Company has met every obligation to its policyholders and beneficiaries; it is amply prepared to continue to do so throughout the life of every one of its insurance and annuity contracts.

Since it started business in 1845, this Company has paid to policyholders and beneficiaries over \$3,848,000,000. Over one billion dollars of this amount was in dividends.

The stability of this strong mutual company has been particularly demonstrated during the past four years of business depression. In every one of these years, income has exceeded disbursements.

During the first 9 months of 1933, the Company—

Paid to policyholders and beneficiaries, over\$188,000,000.00

Made new investments of over 46,000,000.00

Increased its ledger assets—being excess of income over disbursements, over 43,000,000.00



HOME OFFICE BUILDING

NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE
NEW YORK, N. Y.

Dividend Actions Up to Date

NEW YORK, Nov. 29.—The following are among the companies which have announced their 1934 dividend action:

Connecticut Mutual Life—Dividend reduction of 25 percent; interest rate reduced from 4.6 to 4.4 percent.

Guardian Life of New York—Continuing 1933 scale.

Home Life of New York—Continuing 1933 scale for first quarter of 1934.

John Hancock Mutual Life—Dividend "substantially reduced," an increase of about 8.5 percent in net cost; interest reduced from 4.5 percent to 4 percent.

Mutual Benefit Life—Dividend cut 17 percent; interest on proceeds reduced from 4.5 percent to 4.25 percent; interest on dividends left with company reduced from 4.25 to 4 percent.

National Life of Vermont—Dividend cut 23.5 percent, an increase of about 6 percent in net cost; interest reduced from 4.5 percent to 4.25 percent.

Continues 1933 Scale

New England Mutual Life—Continuing 1933 scale; interest reduced from 4.75 to 4.25 percent.

Northwestern Mutual Life—Dividends reduced 25 percent; interest reduced from 4.8 to 4.6 percent.

Provident Mutual Life—Dividends reduced about 30 percent, equivalent to an increase of about 7.5 percent in net cost; interest rate reduced from 4.75 to 4.5 percent.

State Mutual Life—Dividends re-

duced approximately 24 percent; interest rate on deferred settlement, reduced from 4.6 to 4.4 percent; on dividend accumulation from 4.6 to 4.25 percent.

Union Central Life—Continuing 1933 scale.

Of the companies which customarily announce their 1934 action before the end of the year, the following are among those still to be heard from: Equitable Life of New York, Mutual Life of New York, New York Life, Prudential, and the Fidelity Mutual Life.

Make Announcements After Jan. 1

The following companies' dividend years do not begin Jan. 1 and they usually do not make their announcements until after the first of the year:

Berkshire Life—Dividend year begins July 1.

Massachusetts Mutual Life—Year begins July 1.

Metropolitan Life—Year begins May 1.

Phoenix Mutual Life—Dividend year begins July 1.

No announcement is expected from the Penn Mutual Life until after the first of the year, as dividends up to July 1, 1934, were apportioned at the time of the 1933 announcement.

Non-par companies generally announced rate increases effective last January. While there has been some talk of further rate increases for 1934 no definite information on the subject is available.

Status of Old Iowa Assured in General American Life

Recently, the statement was published that the 50 percent deficiency lien placed against policies of the Missouri State Life at the time of its reinsurance by the General American will not apply to about 2,500 Iowa policyholders, who were originally written in the Provident Life of Iowa and Standard Life of Iowa. Both of those companies were reinsured by the Standard Life of Illinois, which in turn was reinsured by the International Life and later by the Missouri State.

Iowa has a compulsory deposit law under which domestic companies are compelled to maintain securities on deposit with the department equal to the cash value of each policy. The old Provident Life and Standard of Iowa came under this law and when those companies were reinsured by the Standard Life of Illinois, the reinsuring company agreed to comply with the Iowa law and in turn the Iowa department agreed to extend to the Standard of Illinois the privilege to apply policy loans to such deposits. When the Standard of Illinois was reinsured by the International Life and later when the International's business was taken over by the Missouri State, the reinsuring company accepted as in full force the original agreement made by the Standard of Illinois with the Iowa companies. Now the General American Life and the Iowa department have agreed to recognize the original arrangement as still prevailing. Cash value and policy loan restrictions, however, apply to Iowa policies so far as withdrawing is concerned for three years.

A policyholder in the Commonwealth of Nebraska, which was reinsured by the Standard Life of Illinois, inquires whether this arrangement applies to him. It does not, inasmuch as policies only in the Standard Life of Iowa and the Provident Life are affected.

Mutual of New York

The Mutual Life of New York country-wide for the period this year to date shows an advance of 15,000 applications over the same period last year.

W. C. Lyne, Union Central's Manager at Pittsburgh, Dies

W. C. Lyne, senior member of the firm of Lyne & Sons, managers for the Union Central at Pittsburgh, died recently at his home. The probabilities are that R. A. Lyne and W. B. Lyne, sons of the late senior member, will continue as managers.

Mr. Lyne was born in 1850 in Richmond, Va., and was educated at Bethany college. He was engaged in educational work for 15 years, as the head of a classical academy, normal school, high school and as superintendent of education. He was a university lecturer for three years. He was offered the presidency of a college in Pennsylvania but decided to enter the life insurance business. He was appointed general agent of the Union Central in 1907. He was the senior ex-president of the Pittsburgh Life Underwriters Association, of which he was an organizer and charter member. He was the last surviving member of the legislative committee appointed by the Pittsburgh association to obtain passage of the anti-rebate bill. At one time he was characterized by former Governor Stone of Pennsylvania as the foremost life insurance man in western Pennsylvania.

Commonwealth Adds to Building

The Commonwealth Life of Louisville is spending between \$35,000 and \$40,000 in reconstruction of property at 510 West Main street, which will form a four-story and basement "L" connecting at all floors, with its office building at 110 South Fifth street. The addition will be completed in March.

Douglass Makes Record

Lloyd E. Douglass, supervisor of the C. A. Macauley state agency of the John Hancock Mutual Life in Detroit, began last July of this year to combine personal production with his supervisory work, and in the first two weeks produced 38 applications for \$40,000, with an average premium of \$47 per thousand. Up to date he leads the company in paid premiums for 1933.

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December 1, 1933

Phoenix Mutual Agents Write \$10,700,000 in Military Drive

GO 34 PERCENT OVER QUOTA

Company's "Big Push" on Depression Is One of Most Successful Sales Efforts

Results of the Phoenix Mutual Life's "big push," its so-called military drive conducted for a period of six weeks, exceeded the objective by several million dollars of new business, D. Gordon Hunter, agency vice-president, reports. The campaign was one of the most successful conducted by the company in several years.

There was a gain of more than 34 percent over the quota, or practically \$4,000,000 of new business over the amount issued in the same period last year.

The total result was \$10,700,000 of new insurance. More than 60 percent of the company's branches throughout the country attained individual quotas and more than 33 percent exceeded quotas in prepaid business alone.

Special emphasis had been placed on advisability of securing cash payment with each application. The prepaid business reached a mark of more than 65 percent of new business written compared with the average of 43 percent for the year to date.

First honors went to the home office agency in Hartford which produced \$1,000,000 new business on a quota of \$504,000. Individual honor went to J. C. Whiting of the New York "uptown" agency, who was followed closely by J. S. Seigel of the same office, R. M. Smith, New Haven, Conn., C. J. McCarthy, Rockville, Conn., all of whom with other agents wrote more than \$100,000 new insurance in the campaign. J. A. Craig of Mars Hill, Me., secured the greatest number of applications, 36 in the six weeks' time.

Soper Agency a Leader

The L. A. Soper agency of Los Angeles was winner in its division, embracing agencies throughout the territory including Seattle, San Francisco, Indianapolis and Davenport, Ia., as well as Los Angeles. The agency recorded more than double the amount of new business written in any similar period since 1929, exceeding its quota by 50 percent. A victory jubilee will be held by the agency early in January with a home office official as guest.

The W. D. Bowles agency of Des Moines more than doubled its quota, winning first place country-wide for percentage in excess of quota. The agency held a celebration dinner.

The sales effort was organized along military lines, war being "declared" against the aftermath of unfavorable conditions resulting from the business depression. The sales force was divided in platoons, companies and battalions, forming the "Fighting 83rd" regiment in keeping with the fact that it is the company's 83rd anniversary.

Vice-president Hunter reports that four out of five months since June have shown advance in paid business over the corresponding period last year, in October total new business paid for being larger than in any month since December, 1932.

Many Report Life Sales Are Ahead of Last Year

The Jefferson Standard's November production is approximately 70 percent ahead of the same period in November, 1932, due to an intensive drive staged in honor of President Julian Price. On Nov. 25, his birthday, \$2,294,000 was written.

W. L. Nash, San Antonio manager of the Northwestern National Life, reports

a 92 percent increase in sales for the first ten months over 1932.

During the first 10 months of 1933, the Milwaukee office of the Guardian Life was 40 percent ahead of last year in volume of new business, according to Manager H. C. Rhyen.

Will O. Ferguson, Los Angeles general agent for the Penn Mutual Life, reports an increase of 48 percent in sales for 1933 to date. Each of the past five months has shown an increase over 1932.

The Wichita, Kan., general agency of

the Northwestern National Life sold over \$400,000 new business in October, a 38 percent increase over October, 1932.

J. F. Groom of the agency was the company's high producer for the entire country in October and Craig Kennedy was third.

Special Assistants Named

C. L. Glasscock and Burnet Sizer have been named special assistants by Commissioner Tobin of Tennessee. Mr. Glasscock has been designated to handle matters for the department in the seventh, eighth and ninth districts with headquarters in Memphis while Mr.

Sizer will have charge of the third and fourth districts with headquarters in Chattanooga. Two other special assistants will be named soon, one with headquarters in Knoxville and the other in Nashville.

Toronto Actuaries Elect

TORONTO, Nov. 29.—G. W. Bourke, chief actuary Sun Life of Canada, has been elected president of the Actuaries Club of Toronto, the senior actuarial organization in Canada. He is a fellow of the Actuarial Society of America, and of the Institute of Actuaries of Great Britain.



ORGANIZED SELLING METHODS

Effective, tested methods of telling a convincing story have now been developed for Minnesota Mutual Field Men to fit several "life situations"—

With us you have a way to find and proceed effectively with

Young Men

Employed Women

Children

Men who have to rebuild their whole program

A Minnesota Mutual representative knows how to keep supplied with such prospects to see—and he knows what to do when he goes to see them.

THE MINNESOTA MUTUAL LIFE INSURANCE CO.

Saint Paul, Minnesota

PLANNED PROSPECTING + DIRECT MAIL + TIME CONTROL
Resulted in

- THE BIGGEST MONTH IN ONE AND ONE HALF YEARS (October)
- A 44% GAIN DURING THE FIRST TWENTY DAYS OF NOVEMBER

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY
FORT WAYNE, INDIANA

Life Executive Should Possess Real Sense of Responsibility

President D. E. Bradshaw, Woodmen of the World, Omaha, speaking to the Pennsylvania Fraternal Congress this week took as his general theme that "The life insurance company is no better than its management." He said that when an executive is vitally interested in any other business organization than his own, which has a financial relationship with the one to which he is elected or appointed, the temptation is too great for human nature in an ordinary individual to overcome if he sees an opportunity to make money with this affiliate.

Abjures Outside Relationships

He said it is unfair if anywhere there runs back from the executive of any company, a line of interest into a bank, a railroad business, a surety corporation, trading company or any other organization having business transactions and relationships with the executive whereby he may profit personally. He is tempted to use his position for unfair business gains. Mr. Bradshaw said that if either a stock or mutual company has the proper kind of diligent responsible executive it will be well managed and the policyholder will get value received. He declared that the executive officers of a life company should be equipped with thorough knowledge and have a varied experience in such business. They should have a peculiar adaptability to its needs in the production of new business.

In referring to twisting, President Bradshaw said, "If we assume the policy was written in a solvent company, to twist that business in the absence of its original producer cannot be condemned too severely because of its moral turpitude."

He asserted that the life business

more than any other requires the very best thought, service, judgment, undisturbed, unrestrained, unqualified—which any executive may have. The insurance business, he contended, should be carried on for the sole benefit of the policyholder and not for any other person or company. The recent life insurance failures, he said, are due to bad management. There has been evidence of a desire to operate the company more with an idea of personal benefit than for benefit of the policyholders. He condemned very severely life insurance executives that have outside interests linked up to their office whereby they can unduly profit through their position or by use of the money of the life company to exploit these satellites.

Must Have Efficient Management

President Bradshaw added: "Assuming the ordinary mortality standard, the ordinary interest assumption and a moderate degree of judgment in the securing of business, perpetuity will be guaranteed to a life company if its management is efficient, if the judgment of the management is clear, if the management has no other purpose in view except to serve the organization which it represents. The management of an insurance company is the principal factor of success."

Speaking further, he said: "As business increased and as our civilization grew more complex, it became more and more necessary that life companies should fill the gap and pick up the hazards so that after business failures or failures of life, neither the business nor the family would be left in a destitute condition. Life insurance was born of necessity to enrich our surroundings. It is the child of environment. Our hor-

izons have been pushed back to such an extent that life insurance becomes an absolute necessity in every home.

"It becomes increasingly important that executives in charge of the purchase of securities for life companies shall consider the ever widening horizon of our people and take a preview of what may happen and what will happen. They should apply to these conditions not only all the historical information which they have and all the business information which they possess, but they should studiously create a judgment sufficient to protect the business through the coming years."

NEWS OF LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest," published annually in May at \$5.00 and the "Little Gem" published annually in March at \$2.00

Manufacturers Life

The Manufacturers Life of Canada has decided to continue the same dividend scale on participating policies in 1934 that has been in force for the past two years. Rate of interest on funds left on deposit has been reduced from 5 to 4% percent.

Great-West Life

The Great-West Life of Winnipeg, in announcing an increase in dividends for next year, states that paid-up policies taken in surrender of participating policies will participate in the profits. The effect of the rule will be that:

- (a) All such paid-up policies now in force will be regarded as amended to provide for participation in profits from the policy anniversary in 1933.
- (b) All existing participating policies will be regarded as amended so that their surrender options will entitle the policyholder to a paid-up policy participating from its date of issue.
- (c) No profits, however, will be allowed on extended term insurance

Ten Fundamentals Cited By Abbott at Cleveland

H. W. Abbott, Pittsburgh, general agent Massachusetts Mutual Life, spoke before the Cleveland Life Underwriters Association on "The Selling Process as Applied to Life Insurance and Annuities." He cited ten fundamentals necessary to attain selling success as follows:

1. Know your business—feel the power of confidence.
2. Love your business—love to be a salesman—be enthusiastic.
3. Learn how to prospect—those within your ability to approach according to character and means.
4. Learn how to approach—when and where—sell appointments.
5. Learn how to interview—ask questions that make people think—make an investigating fact finding survey.
6. Get the knack of closing sales—answer real objection—avoid excuses or alibis—motivate.
7. Learn to make new friends while retaining the old—play position on your next shot.
8. Employ time control—definite procedure marks the beginning of accomplishment.
9. Be determined—be persistent—ambition—initiative—courage—pride.
10. Maintain proper mental attitude—be a winner.

Mr. Abbott also spoke at a special meeting of general agents on the part general agents should play in the local association.

whether taken in surrender of a participating or of a non-participating policy, nor will profits be allowed on paid-up policies taken in surrender of non-participating policies.

"Your Opportunity to Earn More," a free booklet for A. & H. men. Write The National Underwriter.

The NATIONAL has paid

—almost ONE HUNDRED MILLION DOLLARS to Shield policyholders and their beneficiaries since its organization.

—last year the Shield company distributed approximately TWENTY THOUSAND DOLLARS each working day to Shielded millions.

A great 33 year record for service by a great service giver.

Tune in
W.S.M

650
Kilocycles

THE
NATIONAL
LIFE AND
ACCIDENT
INSURANCE
COMPANY
INCORPORATED
Nashville
Tenn.

SHIELDS YOU

Elected President of the Shenandoah Life



E. LEE TRINKLE

E. Lee Trinkle has been elected president of the Shenandoah Life of Roanoke, Va., taking the place left vacant by the death of R. H. Angell. Mr. Trinkle had been executive vice-president.

Mr. Trinkle was born in 1876 at Wytheville, Va., and was educated at Hampden Sydney college and University of Virginia. He was a former member of the senate of Virginia and served as governor of that state from 1922 to 1926. He joined the Shenandoah soon after retiring as governor.

John P. Saul, Jr., general counsel of the company, succeeds Mr. Trinkle as executive vice-president. Mr. Saul remains general counsel. He had been a vice-president.

Mr. Angell, who had a number of business connections besides his connection with the Shenandoah, left an estate of \$1,083,000, the bulk of which is to be divided among members of his immediate family. He left a bequest of \$50,000 to the University of Richmond.

Peoria Life Mutualization Recommended by Shurtleff

(CONTINUED FROM PAGE 4)

control of the company management, whereas in a stock company stockholders have technical ownership of assets and elect directors. Mr. Shurtleff said there are many splendid stock life companies but there is always the possibility of the stock falling into the hands of owners who are less competent or conscientious than were the owners during the years when the company was building up business and gaining public confidence.

He also stated as an argument for the mutual plan that it could be accomplished quickly. One of the finest assets of the Peoria Life, he said, is its agency force, many of whom he said, now are receiving offers from competing companies. Prompt action is necessary to retain confidence of policyholders. If they can have their fears and anxieties allayed and insurance problems settled in a definite and final way within a short time, a large amount of lapse will be presented, he said.

A mutual plan would not, in Mr. Shurtleff's opinion, require the raising of a large amount of capital. He expressed belief that the charter for such a company could be obtained within 24 hours by members of the board of directors which is proposed, who would be selected subject to court approval.

He asserted that reinsurance of Peoria Life policies in another company

would be detrimental to interests of policyholders. In recent years, he said, the tendency in this country has been toward legal reserve mutual life companies, from 70 to 80 percent of life policies on lives of American citizens now being in mutual companies.

Michigan managers of the Peoria Life at a meeting in Detroit were in favor of mutualization, it was reported. T. E. Rogers, Michigan representative of the company, appeared in Peoria as an avowed representative of the \$30,000,000 of Peoria Life insurance in force in Michigan.

Favored in Kansas

Mr. Shurtleff also read a telegram received from W. H. Luellen, in charge of the Peoria Life business in Kansas, where the company had one-tenth of its total insurance in force. Mr. Luellen is acting as co-ancillary receiver for the company in Kansas. He stated many policyholders, business men, underwriter associations and the Kansas commissioner strongly favor mutualization of the Peoria Life.

The report did not bear the signature of Mr. O'Hern who explained that he did not sign it because he had not seen it. He pointed out that the court's order as it stands is for liquidation and no modification up to date had authorized the receivers to consider rehabilitation of the company. He stated he had been in conference with a committee in which Mr. Shurtleff was present and where the expressed desire of all was to determine on some plan of action to save the company by mutualization. His own desire, he said, was that the Peoria Life be preserved for Peoria but he was not prepared to make a recommendation as he could not yet say what would be for the best interests of policyholders.

Judge Niehaus said although the original court order was for liquidation, this would not stand in the way of rehabilitation. The court has power to modify the order at any time.

Many Attend Hearing

Among interested spectators who filled the court room in Peoria Tuesday was U. S. Senator W. H. Dieterich of Beardstown, who sat through the hearing.

F. P. Manly, president Indianapolis Life, together with T. E. Rogers, manager Peoria Life in Michigan, and W. H. Luellen, Kansas manager were there ready to take the witness stand in support of the plan to mutualize. J. T. Hunter, chairman Peoria citizens' committee, was present.

Mr. O'Hern read a report in which he stated his views. He advised the court that the receivers will file an inventory of assets as soon as possible.

"As I understand your report you are not in favor of the plan of mutualization as submitted in the report of Receiver Shurtleff, but are in favor of seeking some other plan that might be more favorable," Judge Niehaus commented as O'Hern completed his report.

"My position is that until a plan is submitted in detail so that I can see what protection policyholders get, I am not recommending the approval of the plan," O'Hern replied.

After the court had received Mr. O'Hern's report, Mr. Kadyk read a lengthy answer filed on behalf of the director of insurance to the report of Shurtleff.

The answer set out that O'Hern was the only legally appointed receiver and that Shurtleff was acting under an illegal appointment. However, Palmer stated to the court that he had placed the facilities of his department at the disposal of both receivers.

The report of Shurtleff was described in Palmer's answer as indefinite, incomplete and premature. Three possibilities existing for disposition of the company, were enumerated as rehabilitation of the existing company to relieve the impairment of its assets, reinsurance by an existing company, and reinsurance by an insurance company organized for that purpose.



"Merchandised SELLING"

... is Union Central's answer to the question every agent has asked himself: "How can I make my prospect see the vital necessity of adequate life insurance even in these times?" Through brief, convincing presentations, supported by sincere, dramatic advertising in leading national publications and over the Columbia Broadcasting System, the prospect is able to see life insurance as something of immediate importance. And the agent sees results in more applications.

The
UNION CENTRAL LIFE INSURANCE
Company
CINCINNATI, OHIO

THE NATIONAL UNDERWRITER

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ATLANTA, GA., OFFICE
204 Atlanta National Bank Building

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Using the Big Stick

SUPERINTENDENT PALMER OF ILLINOIS in making a report on one of the companies of his state uses this significant language in criticising the officers: "If they are to continue in charge of the affairs of this company they must become more fully cognizant of the fact that they are administering trust funds belonging to the policyholders of this company." That in a very comprehensive and precise way tells a significant story. It is because officers have not appreciated their trust relationship that legal reserve life companies have failed. There has been no failure of a well managed, conscientiously officered company.

The companies that have failed have been exploited by people who had too keen an eye for their own financial gain. The downfall of the PEORIA LIFE is due largely to self-glorification and ambitions carried

beyond all reasonable bounds. Until life company officials are imbued with this sense of responsibility and regard the funds in their care as trust funds, there will always be commercialization. Laws cannot make people honest. Honesty is an attribute of character that is ingrained. It is the duty of insurance commissioners when they spy dishonesty in high places to use the big stick in no uncertain terms. That has not been done, unfortunately, much as it should have been done in the past in ILLINOIS. We hope for less politically ridden insurance departments, more efficiency in administration, more courage in enforcing the laws. A great majority of insurance companies are honestly administered. They really supervise themselves. It is the few that have to be regulated and they should be regulated when wrongdoing is first discovered.

Seek Security and Reliability

ONE cannot have conversation with people who are purchasing life insurance, who have believed in it, without being very vividly impressed with the fact that they are primarily interested nowadays in security and dependability. The arguments of net cost are not weighed as heavily as they were in the past. No one desires to pay more than he needs for his insurance. However, the fact that he can get his insurance for 37 cents or 56 cents less a thousand does not register as a vital factor to be considered.

The failure of legal reserve companies has disturbed public confidence because people have not the knowledge to distinguish between companies. At first blush they wonder whether their own

companies are safe. When one is disturbed about his life insurance he begins to seek information and desires to know in his own mind whether his insurance is reliable or not. That after all is the tremendously important factor to be considered.

Companies have strained too much in recent years in the net cost element. The participating companies have vied with one another in the liberality of their dividend formulae and the non-participating companies have sought to combat this by low cost special policies leaving an insufficient margin. There is a very comfortable feeling in having sufficient financial ballast and especially ample surplus to carry a company through disaster.

Stormy Seas Develop Expert Pilot

THESE may be stormy times speaking from an economic standpoint. Certainly there is no great boasting or elation over business conditions. Liking the business craft to a ship, it is sailing through stormy waters. However, expert pilots are developed as they guide

their boats over stormy seas. Anyone with piloting experience can qualify while the ocean is calm. It takes an experienced pilot, one who has had to meet battling waves to ride out of the storm safely. The times develop humility in responsible leaders.

PERSONAL SIDE OF BUSINESS

R. E. Olmsted, general agent Penn Mutual in Detroit, was recently operated on for appendicitis. He is getting along nicely and is expected back at his desk soon.

Gordon L. Seger, vice-president of the Otis Hann Company of Chicago, announces his resignation, being located at the Hyde Park hotel, Kansas City, Mo.

R. A. Trubey, manager Guardian Life, Fargo, N. D., has been reelected president and national committeeman of the Red River Valley council, Boy Scouts of America for the 11th consecutive time.

G. P. Frey, Parkersburg, W. Va., district manager of the Massachusetts Mutual Life, is seriously ill from a cerebral hemorrhage.

George I. Cochran, president Pacific Mutual Life, was honored at a testimonial dinner in recognition of his 40th anniversary as a trustee of the University of Southern California. Over 1,200 civic, educational and industrial leaders were present. Mr. Cochran is both president of the board of trustees of the University of Southern California and regent of the University of California.

Wilbur M. Brucker, vice-president American Life, was the featured speaker at a rally of Royal Arch Masons in Acacia Temple, Detroit.

Dr. J. C. Johnson, general agent of the Continental Life of St. Louis at Cedar Rapids, Ia., was painfully injured in an automobile accident several days ago and probably will be unable to work for two or three weeks. He had been driving through a blizzard and his automobile radiator boiled over. When he attempted to remove the radiator cap the live steam gushed out, severely scalding his left arm below the elbow.

Arthur F. Hall, president Lincoln National Life, has been reelected president of the Fort Wayne Foundation, a perpetual trust for the purpose of accepting bequests and gifts to be used for civic betterment purposes in Fort Wayne.

Frank F. Weidenborner, Jr., 4-year-old son of the superintendent of agencies of the Guardian Life of New York, died as the result of being struck by an automobile while riding his bicycle near his home in Scarsdale, N. Y.

Mrs. Alice Grady Harrison, 73, several of whose sons are prominent in the life insurance field, died at the family home at Little Rock, Ark. James J. Harrison is manager of the Union Central Life at Little Rock, Galloway C. Harrison is its general agent at Seattle, Wash., and W. R. Harrison, formerly with the Penn Mutual and the Connecticut Mutual, is now at Houston, Tex. Kenneth H. Harrison is an agent of the Union Central at Little Rock and Harvey T. a lawyer in Little Rock, who does work for the Union Central.

J. Watson Beach, Hartford general agent of the Travelers, will be inducted into office as mayor Dec. 5. He will succeed as mayor W. J. Rankin, Democrat, of the real estate and insurance firm of Rankin & Dahill. The position of chief executive of Hartford seems to have a special appeal to Hartford insurance people as in addition to Mr. Beach and Mr. Rankin, other recent mayors who have been in the insurance business have included W. E. Batterson, a grandson of the founder of the Travelers and who for many years was in the Trav-

ers office, and the late N. C. Stevens, secretary of the Aetna Casualty & Surety. Mr. Beach is a grandson of J. G. Batterson, founder of the Travelers, and is, therefore, a cousin of former Mayor W. E. Batterson. The new mayor is a son of Dr. C. C. Beach, consulting medical director and a director of the Travelers companies.

In his representation of the Travelers Mr. Beach has always ranked among the leading personal producers, and in addition to a large volume of business in various lines held for a number of consecutive years the distinction in the Travelers organization of being the largest single producer for the company of automobile premiums.

Mayor-elect Beach of Hartford announces he will reappoint President W. R. McCain of the Aetna Fire and N. C. Taintor of Thompson & Taintor, Connecticut Mutual Life general agents, as city fire commissioners.

G. A. Grossmann, who served as secretary of the Lutheran Mutual Aid of Waverly, Ia., from 1899 to February of this year, when he resigned because of failing health, died recently at his home in Waverly. He was born in Clayton county, Ia., in 1862. He prepared for the ministry and served as pastor of a Lutheran congregation at Jubilee in Blackhawk county, Ia. Later he went to Waverly, taking a position as bookkeeper in a publishing house and in 1892 purchasing a newspaper in the city. He was elected secretary of the Lutheran Mutual Aid in 1899.

Henry D. Sharpe, president of the Puritan Life, Providence, R. I., has been reelected president of the New England Council.

Glover S. Hastings, superintendent of agencies for the New England Mutual Life, has done much original research into the life of Elizur Wright, the great Massachusetts insurance commissioner. While engaged in this work, Mr. Hastings visited Hudson, O., where Western Reserve University was originally established. The father of Elizur Wright was one of the founders of Western Reserve and Elizur Wright himself was at one time a professor of natural philosophy there.

Among other discoveries of his research, Mr. Hastings found the reprint of an advertisement which had appeared in a London newspaper in the early days of life insurance, announcing a list of life insurance policies which would be sold to the highest bidder. In those days, the policies had no surrender value and those who were in need of ready cash went to what might be termed an auctioneer broker who advertised the amount of the policy, the age of the policyholder, and other details about the contract in an auction sale notice. This was the only way the living policyholder could get anything out of his policy. It is a long step from that day to the practices of 1933.

C. N. Patterson, veteran treasurer of the Minneapolis Association of Life Underwriters, is the proud grandfather of Marjorie Patterson, the daughter of E. A. Patterson, who sells multiple lines of insurance in Minneapolis.

E. N. Moize, 59, vice-president Home Security Life, Durham, N. C., died of heart trouble after a three months' illness. His brother, A. M. Moize, is president.

Merritt A. Boyle, well known agent of Cincinnati, has been elected president of the Associated Pennsylvania Club. This is a national organization of the University of Pennsylvania alumni.

NEWS OF THE COMPANIES

Northwestern Is 75 Years Old

Started as Mutual Life of Wisconsin in 1858—Present Name Adopted in 1865

The Northwestern Mutual Life attained its diamond anniversary on Nov. 25, having been organized at Janesville, Wis., in 1857 as the Mutual Life Insurance Company of the State of Wisconsin, and authorized to begin writing business on Nov. 25, 1858, by legislative enactment after fulfilling certain preliminary conditions to attain legal status.

No special program marked the 75th birthday, it being explained that the exigencies of these strenuous times demand a forward look, rather than a retrospect.

General John C. Johnson who came to Janesville, Wis., from New York City where he had been an agent for the then recently organized Mutual Life of New York, is credited with organization of the company and interested other local men to secure a charter for a Wisconsin life insurance company from the state legislature. Before beginning business the company had to write a preliminary \$200,000 of insurance. The first policy was issued to Gen. Johnson.

Sleeper First President

Joseph A. Sleeper was the first president. Alexander Graham was vice-president; H. W. Collins, secretary, and Josiah Flint Willard, treasurer. The company decided to move its home office to Milwaukee in 1859, and on March 1, 1865, adopted the present name of Northwestern Mutual Life. Five years later, in 1870, the executive committee voted to adopt for its premium reserve the legal standard of the state of Massachusetts.

Starting with 137 policies for \$408,800 of insurance and \$9,335 of assets on June 1, 1859, the company grew in 25 years, on Jan. 1, 1883, to 40,871 policies for \$83,355,424 and assets of \$19,794,672. In 1908, 50 years, there were 382,338 policies for \$944,576,618, and assets of \$248,025,220. Now it has about four billions of insurance and assets of about one billion.

McCormack Is Organizing New Life Company in South

Col. E. J. McCormack, who resigned recently as vice-president and superintendent of agencies of the Columbian Mutual Life of Memphis, and O. V. Patton, who has been associated with Col. McCormack for several years, are reported to be working on the organization of a new life company, with headquarters in Memphis. A publicity release, signed by Mr. Patton, states that if the new company is organized, it will not be a stock promotion scheme. The tentative plans are to operate the company in Arkansas, Mississippi and Tennessee.

Col. McCormack is a well known figure. He served two terms as president of the Memphis Life Underwriters Association and was twice a vice-president of the National Association of Life Underwriters. He was connected with the Columbian Mutual for two years, starting as special home office representative. Previously he was general agent of the Minnesota Mutual Life.

Buffalo Mutual Campaign On

The November-December, 1933, campaign for \$1,500,000 additional business as a tribute to E. P. Waggoner, first vice-president and superintendent of agents of the Buffalo Mutual Life, is progressing in fine shape.

Nebraska Revokes License

Occidental Life of California Not Permitted to Write Business for Six Months

LINCOLN, NEB., Nov. 29.—The license of the Occidental Life of Los Angeles to sell policies in Nebraska has been revoked for six months by Insurance Director Herdman. The same penalty was entered against C. F. White, general agent at Omaha, and F. J. Burns and W. I. Kortwright; while three months suspension was given J. J. Wurtz and one month each to B. L. Koopman and Lee Sennett. The charges were dismissed as to W. J. Berlo and F. E. Spencer for lack of evidence.

The charges were filed by the Nebraska Life Agency Managers Association and the director finds that these were substantiated fully. These were that the company issued policies without collecting the first year's premium and informed the policyholders that none would be assessed against them. Only White and Vice-president Wilson took the stand. Director Herdman sharply challenges the testimony of White, saying he stated, and Mr. Wilson did not correct the testimony, that his overwriting commission was 10 percent when in fact it was 25 percent. As agents were paid 80 percent commission the company was paying 105 percent for the business, and it is pointed out that White could not, as he testified, have remitted net premiums when there were none.

Must Have Had Knowledge

Director Herdman says that he is convinced that the company could not escape having actual knowledge of the manner in which White and those operating through his agency were conducting the company's business in Omaha. "The underwriting contract," he says, "is most unusual and extraordinary. The department has never known of so large a commission paid to a general agent. No life insurance company doing a safe and sound insurance business would pay or could afford to pay such a commission to a general agent. It must be true, therefore, that in return for this unusual commission White was to render service to the company not ordinarily performed by a general agent. This service must have been that White was to conduct the company's business through his agency in the manner he did."

Admission to Canada Held Up

Judge MacLean, president of the Exchequer court of Canada, has reserved decision on the appeal of the Continental Assurance of Chicago for a license under the Companies Act. The minister of finance had refused to license the Continental Assurance on the ground that its title was similar to the Continental Life of Toronto, which has been operating for many years. The minister felt that the similarity of names would result in much confusion.

Receivers Are Confirmed

The Oklahoma supreme court has confirmed the appointment of R. L. Laws and Mayfield Huff, both of Tulsa, as receivers for the Oklahoma assets of the Missouri State Life. During the litigation, an intervention was filed by the state insurance board and Commissioner Read of Oklahoma was given custody of the Missouri State's assets in Oklahoma.

The Pioneer Reserve Life of Little Rock, Ark., which was placed in the hands of a receiver Nov. 30, 1932, has now been liquidated and a dividend of 4½ percent on all claims has been paid.

"Custom-built" insurance is what the able underwriters are selling today. But, unlike a tailor-made suit or an automobile with a special body, insurance specifically fitted to the client's needs is much cheaper than a policy purchased at haphazard.

The most persuasive argument a Life Insurance representative can advance is: "Here is a program made to fit your own situation and your own pocketbook—it is 'custom-built' for you."



METROPOLITAN LIFE INSURANCE COMPANY

Frederick H. Ecker, President

ONE MADISON AVE., NEW YORK, N. Y.

Service Progress Stability

In its 86 years of experience the Canada Life has learned countless ways of being of service to its policyholders.

It has developed new plans of insurance with new ways of benefiting dependents. It has advanced new ideas for helping the policyholder in his business and perfected new methods of providing for his years of retirement. Years ago such things would not have been thought possible but now they are a part of the every day service of the Canada Life.

Hand in hand with this progress there has been security for the policyholder's money, security for his dependents, security for the evening of his days.

Canada Life Assurance Company

Established 1847

ONLY SOUTHLAND AGENTS ... may have this Book!

It's the New Edition, Little Red Book for 1933. There's nothing secret about it. It's only that this book contains a wealth of advertising help for the Southland Agent who can use it.

Souvenirs, news stories, personal-photo ads, complete life insurance series of newspaper advertisements, and many other agent helps are contained in Southland's Little Red Book.

Does this sound good to you? If so, write to Clarence E. Lins, First Vice-President, or to Colonel Wm. E. Talbot, Agency Manager.

Southland Life Insurance Company

HARRY L. SEAY, President
HOME OFFICE DALLAS, TEXAS

AMONG COMPANY MEN

Goes to Northwestern Mutual

L. J. Evans, Former Assistant Secretary Register Life, to Assist in Sales Promotion, Advertising

L. J. Evans of Davenport, Ia., has been named assistant to W. R. Chap-



L. J. EVANS

man, assistant director of agencies of the Northwestern Mutual Life, to assist in sales promotion and advertising work.

Mr. Evans was with the Register Life of Davenport as assistant secretary and advertising manager, previous to which he had the home office general agency and did supervisory and educational work for six years. He is a graduate of the University of Iowa school of commerce and school of journalism.

New Continental Officers

TORONTO, Nov. 20.—The Continental Life of Canada has elected Sidney Jones chairman of the board. He has been a director and is a retired manufacturer. J. W. Hobbs is named president and N. J. Lander, managing director. Mr. Lander has been with the Continental since its inception in 1899 and has been secretary since 1921. C. H. Fuller will succeed him as secretary and will also be assistant general manager. President Hobbs is prominent in Canadian industrial and financial circles, being president of the Consolidated Plate Glass Company and a director of many large companies. The reorganization of the official staff is due to the recent death of G. B. Wood, for many years president and managing director.

R. A. Warner in New Post

R. A. Warner has been placed in charge of the wholesale and salary reduction division of the policy department of the Occidental Life of Los Angeles. Heretofore he has been in charge of policy changes in the actuarial department.

LIFE COMPANY CONVENTIONS

Swinging in With New Deal

President Williams, Western & Southern Life, Tells the Managers to Adjust Their Methods

The convention of 100 field managers of the Western & Southern Life from cities throughout the middle west met in Cincinnati. The speakers were: President C. F. Williams, Vice-president J. F. Ruchlmann, Judge W. H. Lueders, Superintendents of Agencies S. H. Smith, H. T. Head, J. D. Cassidy, C. J. Holloway and A. O. Payton.

In his address, President Williams urged the managers to get in swing with the new deal and adjust their underwriting methods in accord with new business conditions. "March marked the low point of the depression in the insurance business," he stated. "Since then there has been a gradual and steady improvement in this business which has now definitely turned the corner and is headed in the right direction. Men are going back to work in industries and the government is undertaking vast public works to restore normal employment. I trust every man present is ardently supporting the NRA activities in his home city."

Sees Improved Conditions

"The decline in the number of applications for loans on life policies and a curtailment in the surrender of policies for cash is indicative of improved business conditions," he asserted. The so-called business cycle has run its course and now is starting on its upward grade. He said "We as business men must fall in line and do our bit to assure the success of American industry. The first thing for us to do is to buy the things we need. We should be heralds of prosperity and assure the people of pessimistic tendencies that this country is absolutely sound and

the time has come to do things. We must not weaken one moment in our determination to put this country over the top in the NRA program."

He announced that the company's next annual convention will be held in Cincinnati, Jan. 18-20.

Northwestern Mutual Holds Its Eastern Meeting Jan. 3-4

Plans for the regional meeting of agents of Northwestern Mutual Life in New England, middle and south Atlantic states at the Waldorf-Astoria in New York City, Jan. 3-4, have been practically completed. A number of nationally known speakers, including Dr. S. S. Huebner, dean of the American College of Life Underwriters, and John Marshall Holcombe, head of the Life Insurance Sales Research Bureau, have been secured. M. J. Cleary, president; Percy H. Evans, vice-president and actuary; E. H. Fitzgerald, vice-president, and Grant L. Hill, director of agencies, will also appear on the program, together with a number of outstanding agents. Arrangements are in charge of Rudolph Recht of New York City.

Continue Cooperative Advertising

The Canadian Life Insurance Officers Association at its annual meeting in Toronto voted to continue its joint advertising activities in the daily newspapers and the farm publications of Canada. This marks the 14th successive year in which this cooperative undertaking has been carried out. It has been concerned not only to develop new and to retain old business, but also to create an informed and intelligent appreciation of the advantage of life insurance to the individual and to the nation.

LIFE AGENCY CHANGES

Aiken in Los Angeles Post

Former Superintendent of Agents of Continental Assurance Joins Home Life on Coast

H. P. Aiken, who resigned as superintendent of agencies of the Continental Assurance a few months ago, has been



HAZEN P. AIKEN

appointed general agent in Los Angeles for the Home Life of New York. He had been with the Continental for nine years in various positions, prior to which he was in the general insurance business in Detroit for nine years, specializing on accident and health. He was placed in charge of noncancelable accident and health production for the Continental Casualty at the beginning of 1925 and two years later was placed in charge of the commercial accident and health department.

In 1929 he became superintendent of agents for the Continental Assurance, serving in that position for four years. He continued to look after the noncancelable department for the Continental Casualty and Continental Assurance.

The Los Angeles agency of the Home Life is in the H. W. Hellman building, Fourth and Spring streets.

Slane Stump, W. R. Flower, Jr.

Mark S. Trueblood, Los Angeles manager Union Central Life, has opened a branch office in Beverly Hills, in charge of Slane Stump and W. R. Flower, Jr. Mr. Stump has been with the Union Central in Los Angeles for six years and since April led the company's entire field in personal production. Mr. Flower recently resigned as manager of the Home Life of New York in Los Angeles. They were in business together in Iowa before going to California.

J. H. Wood

J. H. Wood, for three years manager of sales for the R. W. Hoyer agency of the John Hancock at Columbus, O., has resigned to go with the Life Insurance Research Bureau at Hartford. For some time Mr. Wood conducted the C. L. U. classes in Columbus.

C. L. Hunter, W. E. Shackleton

C. L. Hunter and W. E. Shackleton have been appointed associate managers of the Detroit branch of the Crown Life of Toronto, succeeding Ned Trumbull, who resigned to become supervisor of the Johnston & Clark general agency of the Mutual Benefit.

Mr. Hunter has been with the agency

for seven years and Mr. Shackleton for eight years the agency has been in operation, going to Detroit from the home office in Toronto. They were the two largest producers in the agency.

W. D. Lipe

W. D. Lipe, who recently became San Francisco manager of the Oregon Mutual Life, has had the Oakland office added to his territory.

Louis H. Norman

Louis H. Norman has been appointed general agent in charge of the newly created office of the Detroit Life in up-town Detroit.

T. W. Bond, Jr., A. S. Bullock

The Continental Life of St. Louis has appointed T. W. Bond, Jr., general agent at Terre Haute, Ind., and A. S. Pollock at Fort Smith, Ark.

Life Agency Notes

H. H. Gee has resigned as district agent of the Equitable Life of Iowa at Anamosa, Ia., to become district manager there of the Mutual Life of New York.

The Yeomen Mutual Life has appointed Glenn Horton agency manager at Waterloo, Ia., with offices in the Black building. He was recently connected with the National Life of Chicago.

NEW YORK NEWS

BIG WEEK IN NEW YORK

Owing to the fact that the Army-Navy football game will be played in New York City Dec. 2, a number of the insurance commissioners and company officials will arrive that day in order to witness the spectacle. The Insurance Commissioners' Convention opens its winter meeting Tuesday but there will be meetings of committees and informal conferences the day before.

The Association of Life Insurance Counsel will start its meeting Dec. 4. The Association of Life Insurance Presidents will begin its annual meeting Thursday at the Waldorf-Astoria. The commissioners will meet at the Pennsylvania.

The annual meeting of the Insurance Federation of America will be held at the Hotel Pennsylvania the afternoon of Dec. 4. The open meeting will be followed by an executive session of the officers, trustees and members of advisory committee. H. H. Wadsworth of Syracuse is president and J. T. Hutchinson of New York, secretary. William Brosmith, vice-president of the Travelers, is chairman of the advisory committee.

The Insurance Advertising Conference will meet in New York City Dec. 6. The executive committee of the Life Insurance Sales Research Bureau and Life Agency Officers Association will meet during the week. The American Life Convention executive committee will also hold a meeting during the week.

MUTUAL LIFE CONFERENCE

Life underwriters would do well to stress modes of settlement more in their selling. Julian S. Myrick, manager in New York City of the Mutual Life of New York told members of the Metropolitan Field Club of that company at its annual meeting last week. As an aid in this type of solicitation Mr. Myrick recommended the use of the pamphlet recently announced by the New York State Life Underwriters Association covering Sections 55a of the insurance law and 15 of the personal

Just a Comparison

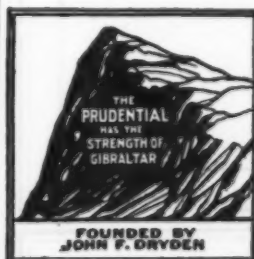
The next time a prospect tells you he "can't afford" to acquire protection, why not try this?

YOU—"You say you find it difficult to 'make ends meet'?"

HE—"Yes, my income has been reduced."

YOU—"Well, if it is hard for you to support the family on your income, how would your wife do it with no income at all?"

She couldn't.
See that she doesn't have to try.



The Prudential
Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

Strong

Progressive

Are You Willing to WORK for a Company Which Is Willing to WORK with You?



E. S. ASHBROOK
President

JOHN H. McNAMARA
Founder

PAUL McNAMARA
Vice-President

NORTH AMERICAN BUILDING, CHICAGO, ILLINOIS

The Criterion

THE true measure of progress in an institution is performance—not for the day only—but over the years. This progressive, time-tried Company is in its fortieth year of consistent, conservative, steady performance. It has paid over \$85,000,000 in benefits to policyholders and their beneficiaries

THE STATE LIFE INSURANCE COMPANY

*Indianapolis
Indiana*

FORTIETH YEAR

"Cake and Penny Too"

The new Family Income Rider applied to the Income for Life Plan (at age 65), which Fidelity originated, meets the demand for the economic "cake and penny too." The Rider may also be applied to the Endowment at 85 plan.

Offers New Opportunity

Here is opportunity to sell the man who likes the Family Income plan, but thinks of his own needs first, or who must be content with a small contract, or who is not a preferred risk, or who demands greater disability benefits, or who wishes to reduce the period of extra premium payments.

Write for information

**The FIDELITY MUTUAL LIFE
INSURANCE COMPANY
PHILADELPHIA**
WALTER LEMAR TALBOT, *President*

property law and the protection they give against claims of creditors of policyholders and beneficiaries. One company, he said, has already ordered 5,000 of these booklets for distribution among its field force.

Mr. Myrick urged his hearers to regard inflation and its possible evils as a passing symptom rather than as something to be taken seriously. As a counter to fears of inflation, Mr. Myrick suggested that agents steep themselves in faith in this country and in the institution of life insurance.

Harry Gutmann, Kassoff agency, advised the seeking out as centers of influence those persons who had been most benefited by the cash and loan values of their life insurance, as being the most sincere advocates and best advertisers of life insurance. It is very necessary, also, he said, to keep abreast of the shift in purchasing power from the high-salaried to the more moderate-salaried brackets.

Walter Klem, assistant actuary of the company, discussed the recently published book, "How Safe Is Life Insurance?" Mr. Klem took up a number of points raised by the book and answered them for the benefit of agents whose policyholders or prospects might be alarmed or inclined to criticize the

companies on the basis of the book's statements.

Others who spoke at the afternoon session were Adam Oberheim, Bowers agency; M. A. Osborn, Taylor agency; Reginald Baker, Adams agency; George Hoffman, Myrick agency; and Professors R. C. Borden and A. C. Busse of New York university.

Vice-president George K. Sargent was the sole speaker at the banquet in the evening. Mr. Sargent discussed the company's finances, policy loans, new business, and the outlook for the coming year, pointing out a number of ways in which improved business conditions are being reflected in life insurance.

Suicide Limit Not Expired

Frederick R. Ruth, whose death claim of \$2,425,000 was the largest paid in 1932, committed suicide one day before the two-year suicide limit expired on one of his policies, a \$100,000 contract with the Aetna Life. Consequently the company will have to pay only \$8,000, the premiums it collected, rather than the face of the policy. Heirs of Mr. Ruth, in a federal court action, contended that since the third year's premium had been paid the two-year period had been satisfied. The judge decided for the company.

AS SEEN FROM CHICAGO

HEIFETZ AGENCY IN MEETING

Never has the public given agents so many reasons why life insurance should be bought as now, Samuel Heifetz, manager Mutual Life of New York in Chicago, stated in a talk at the annual meeting of his agency. He said the very objections advanced can be turned around upon the prospect as arguments for the purchase of life insurance. The agent who takes these objections seriously loses the sale and suffers a lowered mental attitude. Every business man must fight, Mr. Heifetz said. Agents must pull themselves together and make the most of the situation as they find it. Mr. Heifetz said the agency stood ninth country-wide in volume paid for Nov. 1, 22nd in percentage of paid business to quota and second in new organization.

J. R. Hastie, associate manager, gave an inspirational talk touching on the history of the Mutual Life since organization in 1843 and drawing a comparison between life insurance of those days and the present. C. Vivian Anderson, president National Association of Life Underwriters and agent Provident Mutual, Cincinnati, was a guest speaker at the dinner, talking on the value of life insurance and of life underwriting as an estate builder. Hugo Arnold of Arnold Bros., meat packers, Chicago, one of Mr. Hastie's large policyholders, who carries more than \$1,000,000, spoke from the viewpoint of the buyer. R. E. Spaulding, manager Mutual Life, Chicago, also attended and spoke briefly. The remainder of the program, morning and afternoon sessions, was given over to talks by agents, V. M. Burke, agency organizer, being morning chairman and H. C. Marks presiding in the afternoon. In a prize contest given over to five-minute talks on how to increase sales, W. Gyles, agent, won the prize.

HAS LOWEST LAPSE RATIO

The Clearing House branch under Director Frederick Bruchholz had the lowest first and second year business lapse ratio of all the Chicago New York Life branches for the first eight months. The Clearing House branch has filled its sales allotment in the NYLIC October-November rally.

CLINTON NAMED SUPERVISOR

C. E. Clinton has been appointed agency supervisor of the out of town territory of the R. S. Edwards Chicago agency for the Aetna Life. He joined

the Aetna in Chicago in 1927, after having been connected with the Retail Credit Company.

CHALLENGE SPURS SALES

F. H. Haviland, Chicago manager Connecticut General, the other day challenged his agency force to a contest, offering to bet that he could in the remainder of November write more business than any other four of the agents. It is a testimonial to Mr. Haviland's sales ability that none of his agents took up the bet. However, the agency as a whole accepted the general challenge. A goal of 120 applications was set and in the first three days the agents had written 80 applications. Previously the agency had fallen into a temporary slump, the entire staff having produced only 15 applications in the preceding week.

D. J. SCOTT RECOVERS

D. J. Scott, Chicago manager of the Sun Life of Canada, has returned to his desk after an absence of several weeks, during which he was incapacitated with neuritis. Although he is much better, he has not yet completely recovered.

News of Pacific Coast States

Los Angeles Insurance Men Discuss Commissionership

Representatives of various insurance organizations in Los Angeles held a meeting recently to discuss the appointment of a new insurance commissioner for California. Reports are current again that Commissioner Mitchell is about to be retired. Those attending the meeting stated they were not interested in promoting the candidacy of a particular person, but desire to impress upon the governor the importance of appointing a man with a working knowledge of insurance.

A committee of five was appointed to seek a conference with the governor on the question. The organizations represented at the meeting were the Insurance Exchange of Los Angeles, California Association of Insurance Agents, Casualty Association of Los Angeles, Special Agents Association of the Pa-

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ific Southwest, Surety Underwriters Association of Southern California, Casualty Adjusters Association of Southern California, Life Underwriters Association of Los Angeles, Accident & Health Managers club of Los Angeles and the life and general insurance committees of the Los Angeles chamber of commerce.

Four Los Angeles Agencies Conduct Joint Conference

LOS ANGELES, Nov. 29.—Four life agencies representing eastern companies held a joint agency meeting here. The companies represented were: State Mutual, Roy Ray Roberts, general agent; New England Mutual, A. E. Payton, general agent; Phoenix Mutual, Leon A. Soper, manager, and John Hancock Mutual, H. G. Saul, general agent. These agency heads and about 60 of their field men attended the meeting, at which Mr. Roberts presided. "Adjusting Life Insurance Sales to Present Economic Conditions" was discussed by L. R. Martineau, Jr., Los Angeles attorney. "The life insurance salesman," he said, "should be in a position to advise his prospect today as to what may be expected tomorrow and should possess a long vision of the future, based on the wisdom of the nation's leaders that is being constantly given expression."

Phoenix Mutual Meeting

SAN FRANCISCO, Nov. 29.—The Pacific Coast managers of the Phoenix Mutual Life are holding a conference here this week. Berne S. Carlton of

Seattle; R. S. Sherwood, Portland, and Leon Soper, Los Angeles, are meeting with Manager C. W. Peterson of San Francisco. The visiting managers spoke at a luncheon meeting of the Peterson agency yesterday. Mr. Peterson reports that one-third of the Peterson agency's entire 1933 quota was paid for during the past eight weeks and indications are that equal performance will be registered during the balance of the year.

Utah Code Approved

SALT LAKE CITY, Nov. 29.—The new Utah insurance code of fair practices has been approved by the recovery administration officials and now awaits the signature of Governor Blood. The principal changes made in the original measure are those relating to the definition of an agent and to the filing of rates. Instead of refusing to regard anyone as an agent who does not write his own policies, the amended code permits this where the policy of the carrier does not provide for the writing of policies by its agents. Another change requires all companies to file their rates with the insurance commissioner and a 15 days' notice of any change in such rates. The code has the support of all types of carriers and agents.

Mitchell Opens Offices

B. F. Mitchell, recently appointed general agent for northern California for the General American Life, held "open house" in his quarters in the Russ building. Mr. Mitchell, who is a son of Commissioner E. Forrest Mitchell, was formerly analyst for the depart-

NEWS OF LIFE ASSOCIATIONS

Shapiro Is Elected President

East Bay Association Holds Annual Meeting at Oakland—A. S. Holman Gives Talk

OAKLAND, CAL., Nov. 29.—Roy P. Shapiro, Penn Mutual Life manager in Oakland, was elected president of the East Bay Life Underwriters Association at its annual meeting. C. L. Fowler, New York Life, was elected first vice-president; G. W. Brown, John Hancock Mutual Life, second vice-president; A. T. Dowse, Equitable Life of New York, secretary-treasurer, and F. G. MacGinnis, Equitable Life of New York, assistant secretary.

A. S. Holman, San Francisco manager of the Travelers, as the principal speaker, reviewed the convention of the National association at Chicago. Mr. Holman discussed the responsibility of the life insurance man. Mr. Holman pointed out that the life underwriter is not only a salesman of securities but a salesman of security and urged his audience to bear in mind the soundness of the securities back of life insurance.

* * *

Northeastern Wisconsin—Life underwriters have the only commodity which has not failed the people in the depression, and policies are today worth just what the agents told the people they would be worth when they were sold five, 10 or 15 years ago, said K. W. Jacobs, Milwaukee general agent Connecticut Mutual, in an address at Green Bay.

The December meeting will be a noon luncheon at which officers will be elected and a round table discussion will be held with W. G. Heppert, Prudential, in charge.

* * *

Indianapolis—President Carl F. Maetschke announces a sales congress to be held at the Severin Hotel Dec. 7. The program will include afternoon and evening sessions and cover as topics "1933 Prospecting," "1933 Sales Talks," with eight actual demonstrations and "1933 Objections" Answered by Cabinet of Six Experts."

Nebraska Association Meets

State Rally at New York Draws 200 Agents and Their Wives—See and Cummings Chief Speakers

The annual convention of the Nebraska Association of Life Underwriters at York drew nearly 200 agents and their wives for a full day session. A noticeable increase in business generally in the state was reported by most of the delegates, and their prediction, freely made, was that prospects for increased sales of life insurance are better than for many months.

F. C. Stilson, president York County Life Underwriters Association, called the convention to order and presented Frank B. Summers of Omaha, retiring president. He in turn introduced the recently-elected president, J. E. Sebastian, who presided over the greater part of the session. The principal addresses were given by F. M. See, St. Louis general agent New England Mutual, on "Personality in Selling," and H. J. Cummings, vice-president and superintendent of agencies Minnesota Mutual, who spoke twice on "Three in One," and "The Ten Commandments in Closing."

Changes in Sales Work

Mr. Cummings said the most marked change in sales work in the last few years is that life insurance is no longer sold under high pressure methods but in most cases is a business transaction between mutual friends, with all the obligations of a trustee attaching to the salesman. Modern competitive conditions also force upon the life salesman the necessity of proper preparation, diligent application to his work and alertness to take advantage of every opportunity presented to further his policyholders' interests and at the same time further his own.

Mrs. W. S. Pritchard of Gainer, Ia., director of the American family department of the National Association of Life Underwriters, told of her work.

THE CHRISTMAS STORY AND LIFE INSURANCE

The stories that live through the ages and vitally affect the lives of men are simple but profound. Life insurance, like the Christmas story, satisfies some of the fundamental needs of all men.

Peace on Earth, Good Will Toward Men.

Peace of mind which comes to him who has made safe provision for himself and his loved ones.

Good will toward men which is the blessing of him who has no fear for the future of his material estate.

Every life insurance man who has done his work well may now look back at his year's record and say to himself, "To the best of my ability I have brought peace and good will to my friends and clients."

AMERICAN CENTRAL LIFE
INSURANCE COMPANY
INDIANAPOLIS - - - INDIANA



Now Is a Good Time To Sell Group

The period during which plans for the new year are taking form has often proved to be favorable for the sale of group insurance.

Wide-awake business men have not failed to hear of the work group insurance has been doing the last few years.

Now is the time when ideas that have been favorably considered are acted upon.

Connecticut General
Life Insurance Company
Hartford, Conn.

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 Organization Management

PENNSYLVANIA

FRANK M. SPEAKMAN

Consulting Actuary
 Associates
 Fred E. Swartz, C. F. A.
 B. P. Higgins
 THE BOURSE PHILADELPHIA

She gave a number of reasons why women have been indifferent to life insurance in the past, and stressed the necessity of companies and agents educating women as to its purposes and its advantages to them especially.

Mayor Charles Rothman welcomed the delegates, complimenting life insurance because of its high standing with the public in later years. Officers of the association outlined plans for increasing the membership and effectiveness of the organization, and two-minute talks on business prospects and association work were given by a number of members.

Organization of Time and Seeing Prospects Is Stressed

MINNEAPOLIS, Nov. 29.—J. O. Todd of the Minneapolis Northwestern Mutual agency addressed the Minneapolis Association of Life Underwriters at the November meeting on insurance salesmanship.

"Every man has a limitation," he said, "but it is possible for him to change that limitation, and when a man can succeed in organizing his time, when he can solve the problem of securing the necessary prospects, and when he can master his sales material then he can successfully increase his productiveness."

"It is unreasonable for a man to limit his efforts to selling \$5,000 policies, or to limit himself to contracts of any amount. No one can hope to close the larger contracts without seeing those who have the buying power."

"The average size case unfortunately is largely a matter of accident rather than of intent. The life insurance man must consciously devote a certain percentage of his time to calling upon those with larger buying power."

"Just as a merchant must maintain a stock on his shelves, a life insurance man must have a stock of prospects."

Dayton, O.—C. Vivian Anderson of Cincinnati, president National association, spoke on "Have you made a will?" He said everyone should make a will, as he would not trust state legislatures to dispose through laws that may be enacted for the settlement of estates where no will is in existence. Mr. Anderson also attacked old age pensions, declaring that the aim sought can best be obtained through insurance.

Lee Scheuer of Cincinnati spoke on "Problems of Life Underwriters—Some Solutions." Also on the program were A. B. Gray, National Cash Register Company, Dayton, and I. T. F. Ringer, general counsel State Mutual Life.

Columbus, O.—A Christmas party will be held Dec. 21. C. Vivian Anderson, Cincinnati, president National association, will be the principal speaker.

Ottawa, Ont.—Terrorization and generalization methods of selling life insurance are out of date, Fred Hobson, Toronto, assistant superintendent of agencies Imperial Life, told the Ottawa association. Insurance salesmen should rather emphasize the value of life insurance as an investment which will stand in time of stress, he said.

An attitude of waiting for the future when prospective clients have surplus funds to invest is entirely wrong from the point of view of an insurance salesman, Mr. Hobson declared. The general public should be educated to the value of insurance as a gilt-edge investment at the present time, and the proof could be the firm position life companies have maintained in the past few years of stress.

Fort Wayne, Ind.—More than 200 life men attended a sales congress sponsored by the Fort Wayne association. Dr. C. J. Rockwell spoke in the morning on "Modern Prospecting" and "Opening the Interview" and in the afternoon on "Principles of Closing" and "Present Day Opportunities."

Los Angeles—G. W. Frasier, National Life of Vermont, in life insurance work only 16 weeks, who has written 17 applications for \$50,000, all paid for except one policy for \$1,000, explained his

thought processes in establishing in his own consciousness clearly, honestly and thoroughly, the purpose of life underwriting—what it means to the prospect and what it really has to offer in benefits.

Dr. J. L. Leonard, chairman department of economics University of Southern California, spoke on "Managed Currency," discussing inflation, reduction of the value of the dollar, and the theoretical basis of the methods advocated for creating more prosperous conditions.

Albany, N. Y.—Stanley G. Dickinson, sales consultant, spoke at the November meeting on the most effective sales for the average agent.

Rochester, N. Y.—Joseph Silverstein, former president, who has just been elected a member of the Rochester city council, was honored at a luncheon.

J. B. Lee, Buffalo life underwriter, formerly an assistant to the late Knute Rockne and more recently coach at the University of Buffalo, spoke on football tactics.

Atlanta—A one-day sales congress will be conducted by P. M. See, general agent New England Mutual, St. Louis, Dec. 29. Oscar Palmour, general agent Connecticut Mutual, is president of the Atlanta association, which now has a membership of over 150.

North Dakota—At the monthly meeting in Fargo, John Nystul, state manager Kansas City Life, spoke on "Life Insurance as Property." Sam Bright, Fargo, was chairman.

San Francisco—The Monday morning meeting was in charge of C. W. Peterson, manager Phoenix Mutual Life. Technique of selling with particular emphasis on closing methods which are successfully used in the Peterson agency were discussed. Short talks were given by Leon Soper, Los Angeles manager, and R. S. Sherwood, Portland manager of the Phoenix Mutual.

The next meeting will be held Dec. 18, under the direction of P. G. Young, manager Metropolitan Life.

The San Francisco association adopted a resolution calling upon congressmen and representatives to oppose "debasing of our currency." The resolution pointed out dangers of inflation and a copy is to be sent to President Roosevelt and Secretary of the Treasury.

Colorado—Admittance to meetings and sales congresses will hereafter be limited to members, under an amendment to the by-laws adopted at the November meeting. T. P. Campbell, associate professor of metallurgy Colorado School of Mines, spoke on the monetary situation.

Marshalltown, Ia.—A. H. Pickford, general agent Provident Mutual, Des Moines, and president of the Des Moines association, spoke on "Planning the Sale."

Birmingham—A sales clinic is to be held under the auspices of the Birmingham association the morning of Dec. 9.

Northeastern Nebraska—The recently organized association will meet Dec. 8 at Wayne, as announced by President T. S. Hook of Wayne. The principal address will be by Herman Fricke, Northwestern Mutual, Omaha.

Toledo, O.—New laws and change in property values have made wills drawn up two or three years ago obsolete today. C. Vivian Anderson, president National Association of Life Underwriters, said at the November luncheon. This offers an agent an effective sales approach as he can demonstrate the utility of life insurance both in creating estates and replacing those which have slumped in value during depression years.

Ernest W. Owen, secretary of the national body, and C. A. Macauley, president of the Detroit association, were guests. H. P. Gravengaard, general agent New England Mutual Life, was chairman.

Joplin, Mo.—Chester O. Fischer, St. Louis, general agent Massachusetts Mutual and president of the Missouri association, spoke on "Golden Days." Life agents from Joplin, Carthage and Neosho, Mo., and Miami, Okla., attended.

\$1,000 to \$1,600

Ordinary Life Insurance at An Average Cost GUARANTEED OF ONLY \$14.00 per \$1,000

Of Course Issued in Larger Amounts

All Premiums Returned in addition to face of policy in event death before age 60

FULL FACE THEREAFTER AND PREMIUM REDUCED 30%

Example

Original cost, age 30, \$31.40 per \$1,000 to age 59; \$17.19 per \$1,000 thereafter.

If you reside in Ohio, Illinois, Indiana, Kentucky, Pennsylvania, Tennessee, West Virginia or the District of Columbia,

Write for Samples and Particulars

This is one of the many unique contracts issued by

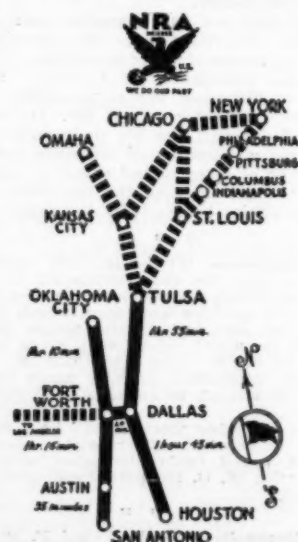
Federal Union Life

FRANK M. PETERS, President
 CINCINNATI, OHIO

FASTEST SERVICE

MODERN BUSINESS DEMANDS SPEED

For Faster Service between The Great Lakes and the Gulf, specify Bowen Air Lines in Texas and Oklahoma.



Bowen Air Lines

WITH INDUSTRIAL MEN

Interesting Book Published

Dr. Maurice Taylor of Jewish Welfare Association of Boston Writes About Industrial Insurance

"The Social Cost of Industrial Insurance," by Maurice Taylor, Ph.D., director of the Jewish Family Welfare Association of Boston, is a scholarly and sincere study of this branch of insurance as viewed by practical welfare worker. The book is published by A. A. Knopf.

Much of Dr. Taylor's book is descriptive, and hence will not be new to insurance men. Of most interest, because it deals most directly with the field in which he is most familiar, is the chapter on life insurance in dependent families. How much of the money a dependent family is receiving from relief agencies should go to maintain its insurance protection is admittedly not an easy problem to solve. The advice of an expert should be sought, Dr. Taylor concludes.

"The proper handling of such matters demands the combination of a thorough knowledge of the family's income and expense in the light of the history and physical and mental make-up of its members, coupled with the advice of the expert. The social worker should no more attempt to decide the insurance problem of the family than he would the medical or legal difficulties."

Submit 10 Bids for National of U. S. A.

(CONTINUED FROM PAGE 5)

reserves. Policyholders under the plan would participate in any appreciation in value of assets over a 15-year period extending from the date that the receiver was appointed, and at that time a fixed lien would be applied unless all policy indebtedness has been discharged.

An important provision of the bid is that the 50 percent lien would apply to monthly income disability payments on claims arising up to the date of receivership. This would mean that the claimants would receive one-half their monthly income that was guaranteed. This differs from most offers of the last year or so, which imposed greater restrictions as a rule.

O'Dell Trained Life Man

Mr. Odell is an experienced life insurance man having been connected with the Travelers, starting some 18 years ago and extending for several years, and then going with Moore, Case Lyman & Hubbard, large Chicago general agency, as manager of the life department. He was a large personal producer, having been one of the first men in the country to pay for \$1,000,000 of life insurance in a year.

The bid of the Washington National of Chicago has some special features in combining straight reinsurance and the management basis of operation. The Life & Casualty of Chicago, it will be remembered, reinsured the Security Life of that city. The Central Life of Des Moines this year reinsured the Illinois Life on a management basis.

Most of the bids had not been opened and analyzed by the receiver and his attorneys at the time of going to press, but it is understood that several of them contemplated reinsurance rather than a management agreement.

J. M. Crume, who filed a bid on behalf of a policyholders' committee, has been present in similar capacity in negotiations for several failed companies recently.

President H. A. Behrens of the Continental Assurance, stating that his com-

pany never had reinsured or taken over the business of any other company, and since organization had devoted its time exclusively to upbuilding its own clientele, explained the bid.

W. G. Peterson Is Promoted

W. G. Peterson has been promoted from inspector to superintendent of the Chicago No. 17 district of the Prudential. He began his career with the Prudential Aug. 15, 1921, in Chicago as an agent, and on May 14, 1923, was promoted to inspector.

Takes Over "Debit Man"

The "Industrial Salesman," published by THE NATIONAL UNDERWRITER, has taken over and absorbed the "Debit Man," an industrial paper published for some time past at Scranton, Pa., and having a considerable circulation among Pennsylvania industrial agents. All subscriptions to the "Debit Man" paid in advance will be carried out until expiration by the "Industrial Salesman."

"We ask that our proposal be considered non-competitive in the sense that it is not our desire to have our proposal considered in competition with proposals of other sound institutions," the letter to the receiver stated. "The nature of the life insurance business is so technical that it is very difficult to analyze on a comparative basis the ultimate results of various proposals. Hence, if the court receives one or more proposals other than the enclosed which in its opinion are sound and desirable, we request that ours be disregarded rather than an attempt be made to decide which one may technically work out to the best advantage in the long run."

"Our proposal is being submitted to express our willingness to cooperate with the proper authorities in working out this situation for the benefit of the institution of life insurance and not to undertake this task from a selfish standpoint."

Seek to Avoid Misunderstanding

"As we are particularly desirous that our submission be not misunderstood by this company's own policyholders, agents and stockholders, to whom the first loyalty of this institution belongs, may we state here that this proposal does not contemplate that the Continental Assurance take any financial risk whatsoever during the management period. We do not consider it sound to jeopardize the interests of our own policyholders, agents and stockholders."

"When at the expiration of such period the business is finally reinsured, our plan contemplates doing so on the basis of sound values as they may then exist. In the meantime we undertake a very definite obligation to give sound, skillful and economical management as respects the insurance functions of the business in question."

R. O. Davis has been appointed field superintendent of the Washington National of Chicago in the Louisville district. He became an agent at Louisville Aug. 3, 1931.



Salesmen—
Excellent
Opportunity

"A New Deal in Life Insurance"

A Dollar's Worth for a Dollar

Mutual Legal Reserve. Participating, non-par rates; estimated average annual cost Ordinary Life, age 35 \$15.38 per thousand; Twenty-Pay Life paid up for \$1,549 plus dividends per thousand in 20 years; Endowment pays \$1,961.54 plus dividends per thousand if policy becomes a claim year it matures. Cash accumulation available any time without note, interest or deduction from face of policy; juvenile with all fine features of adult policies. Unlimited opportunities for agencies in Illinois, Michigan, Indiana, Missouri.

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THE MANHATTAN LIFE INSURANCE COMPANY

654 Madison Avenue at 60th Street,

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Founded 1850

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LIFE	ENDOWMENT	RETIREMENT INCOME
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THE AMERICAN BANKERS INSURANCE COMPANY
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Excellent
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MODERN up-to-date liberal policies that appeal to prospects and simplify agents work.

Address communications to R. Y. Rowe, Vice Pres. & Supt. of Agencies, Corner No. Wabash and Ohio, CHICAGO

Insured Man Four Times More Likely to Keep Job

The man who carries life insurance is about four times as likely to continue on the job as the one who doesn't, one of the country's largest firms found in a recent survey of its employees covering the years 1924-31. Of nearly 1500 persons taken on during the period, 47 percent of those with life insurance were still on the job at the end of the survey period. Of those who had no life insurance, only 12 percent were still employed. Of the total number taken on during the period, approximately 85 percent carried insurance. The number leaving employment included those who left voluntarily as well as those who were dismissed.

Sales Symposia Are to Feature Agency Magazine

An interesting departure in the make-up of company magazines for agents comes in the announcement from the Connecticut Mutual Life that it will experiment with the so-called "symposium method" during the coming months. While the sales methods of one individual agent are always helpful, there are occasions, the company points out, when such methods or ideas are more applicable to the individual who originated them than to the general run of agents throughout the field.

To meet this situation, the editors of "ConMuTopics" will from time to time publish "multiple-author" articles, thus bringing to bear on the subject discussed, many minds, many experiences. The December issue will start with a two-man symposium on "Getting Yourself Known." This will be followed in January by several authors who will discuss "Planning for Sales in '34," while in February will appear the third symposium in the series, on "Using Organized Sales Talks for Securing Prospects and Leads."

Kansas Legislation Enacted

TOPEKA, KAN., Nov. 29.—The Kansas senate has passed a joint resolution providing for one year extension of the mortgage moratorium, limiting the application of the law to homesteads. There is a bill pending in the house to abolish the insurance moratorium enacted last spring. Measures have been enacted by the legislature authorizing the taxation of real estate held by life companies as part of their reserves. Another measure passed authorizes life companies to invest in Federal Home Loan Corporation bonds.

General Agents Address Realtors

An indication that general business conditions are improving is shown by fewer persons borrowing on their life insurance policies than earlier in the year. E. A. Crane, Indianapolis general agent Northwestern Mutual Life, told Indianapolis realtors at a meeting of the Indianapolis Real Estate Board. C. F. Maetschke, ordinary manager Prudential, also spoke. They said that with eventual lifting of the economic depression, insurance companies again will make extensive loans on city and suburban real estate.

To Lift West Virginia Restrictions

Modification or complete removal of restrictions in West Virginia on the making of cash loans and payment of cash surrender values is expected next week.

The Annuity Digest, a newly published authoritative Analysis of Personal Income Contracts, is available from The National Underwriter. Single copy \$3.00.

Valuation Issue Paramount Today

(CONTINUED FROM PAGE 3)

gress will appeal to the commissioners to oppose any measure that will permit municipalities from meeting their bond obligations. Owing to the importance of next week's meeting a large attendance of commissioners is anticipated.

Col. H. P. Dunham, commissioner of Connecticut, and a member of the convention's committee on valuations, was in Canada recently conferring with the governing officials of several provinces, the desire being that authorities on both sides follow the same valuation procedure so far as possible. The suggestion offered by one of the home state commissioners that a special bureau be created for valuing securities is likely to meet objections. The expense factor will be cited and the argument will probably be raised that expert talent on security values is already available.

Those attending the sub-committee meeting in New York were: Van Schaick, New York, chairman; Brown, Massachusetts; Palmer, Illinois; Dunham, Connecticut; Gough, New Jersey, and Warner, Ohio.

Pure Protection Is Losing Its Lure

(CONTINUED FROM PAGE 3)

dependent fund would take to supervise. From the agent's point of view, as well as that of the company, term insurance is unpopular. The smaller premium together with the lower rate of commission as compared with ordinary life and other higher premium forms would put a sharp crimp in agent's earnings and throw many of them out of the business. Even with the lower commission rate, the acquisition cost of term business is relatively high, since all the charge must be made against the protection element instead of being divided between indemnity and investment. Stricter underwriting is necessary on term insurance if the mortality is to be kept in line, meaning that rejections would be more numerous, with consequent loss of commissions to agents and protection to potential insurance-buyers.

As to the basic reason for getting away from investment life insurance into the term field, namely, the possibility of abnormal and overwhelming demands for cash on the part of distressed or panicky policyholders in times of depression, this can be taken care of by increased liquidity.

Such liquidity must of course be paid for by a lessened interest return and lower dividends, but if the public indicates that it wants this liquidity, the companies will probably provide it.

Huebner and Lackey Feature Michigan Agents' Convention

(CONTINUED FROM PAGE 5)

greatly worry Mr. Lackey. "I like to think of it," he said, "So far as it relates to our business in terms of the cheap premium dollar and the high or dear return dollar." He explained that the conditions prevailing when a policy purchased now matures are so uncertain that inflation should not be considered much of a factor. If the prospect knew the conditions to prevail then, he said, he might not consider it necessary to take out an annuity or any other kind of insurance.

Commissioner C. E. Gauss, while present at the noon luncheon, was forced to leave early, due to pressure of departmental duties, and was unable to fulfill his anticipated part on the program.

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MODERN BUSINESS-GETTING METHODS

Knowledge of Law of Descent and Distribution Opens Great Field for Life Man, Says C. Vivian Anderson

Life insurance selling may be just as complicated or simple as the agent wants to make it, but in the simple application of its principles to human needs lies the greatest opportunity for success today, C. V. Anderson, president National Association of Life Underwriters and agent Provident Mutual in Cincinnati, told the Chicago association at the November meeting.

Mr. Anderson gave some striking examples in his own experience. He sold \$100,000 and later wrote \$500,000 on the same man, when he showed that a will executed after the first child was born would have permitted three children born later to share in the man's property as if he had died intestate; or, in other words, to take two-thirds of it.

Provisions of Will Often Provide Lead

In another case recently Mr. Anderson sold \$60,000 to a man by proving that children by a first wife would not share in his property passed on by will to a second wife unless she adopted them. The second wife when asked to adopt them became outraged and refused to do so, whereupon the man bought the life insurance, making specific provision for his children.

Mr. Anderson said this little known provision in the laws of many states has brought him much insurance. He has insured 111 persons who have married a second time. In only three of these cases was the step-father or mother willing to adopt the children by the previous marriage and thus guarantee a fair distribution of the estate.

Lack of Will May Mean "Political" Guardian

If a man does not make his will, Mr. Anderson said, some one will make it for him. If there are minor children he can name a guardian in his will, otherwise there may be appointed as guardian a politician who stands on a street corner on election day and passes out his cards. "This is a mighty poor way to select a guardian for one's children," Mr. Anderson said. Specific provision for a guardian also saves the cost of an administrator's bond.

If a man moves to another state from that in which his will was made, it may be void. Mr. Anderson has found this fact a very good source of prospects. He stated that an agent can write more business through this approach than any other he has found.

The many variations of the laws of descent and distribution offer countless sales opportunities to the agent who understands their operation. Mr. Anderson never fails to inquire if a will has been made, but he passes on the actual making of the will to a lawyer. He finds by turning his work over to lawyers he makes them friends and secures much business through them.

If there is no will in existence and it is a case of intestacy, the proceeds of the estate until final distribution can be used only for food and clothing in many states, and in some states not even for education of children. The widow or other beneficiary has to obtain court orders to secure and spend any money and must account for every cent spent.

This offers opportunity for the life agent to sell much business. Then again Mr. Anderson has found if there are

some children who have reached majority they usually want to secure their share of the estate immediately. They all promise to take care of their mother, but Mr. Anderson finds there is sufficient doubt to form a good argument for life insurance.

If there are no children nor a will, one-half of the estate goes to the spouse, plus all personal property, and one-half to the parents, brothers and sisters. A will devising the entire estate to the spouse is not satisfactory, since if she should die, the estate would be distributed among her parents, brothers and sisters, leaving relatives of the original testator out in the cold.

Believes Income Options Should Be Studied More

Mr. Anderson said there has been too much talk in the business of income options but not enough study of how to work them out to meet human needs.

He finds that no man without imagination can succeed in life insurance. He has to be thinking faster than the other fellow all the time.

Maintenance of complete records is vital. He considers life insurance a business and believes an agent must run it as such. He said he was one of the few who lost nothing in the 1929 stock market crash as he was so busy selling life insurance and was carrying so much of it personally that he did not have time to speculate in stocks.

For a moment he touched on the

"sound money" plans of the government, saying that when a person sets out to make a will or to pass any property, life insurance or what not, he must have a stable medium to measure it by.

He discussed lapsation, which he said was ascribable either to too much insurance or to somebody's suggesting dropping a policy. He came out in favor of "twisting" stocks and bonds, of liquidating them in order to clear up any life policy loans, but he said that twisting of a life policy degrades the agent and does great harm both to policyholder and company.

Low Lapse Rate Due to Fighting Twisters

Mr. Anderson has a very low lapse rate. He said no one approaches one of his policyholders with a proposal to drop a policy but that there is a fight. Mr. Anderson, the rival agent and the policyholder have it out together. He has 117 people who are sending him from \$25 to \$1,200 monthly to pay off their policy loans.

There is too much talk about life insurance and not enough about motivation, about taking the few things the agents know and going some place with them, Mr. Anderson said.

There were ten past presidents of the Chicago association at the speakers' table, including: Jules Girardin, Phoenix Mutual, 1910-11 and 1920; R. F. Palmer, Berkshire, 1913; E. C. Platter, Massachusetts Mutual, 1919; W. W. Williamson, Connecticut Mutual, 1924-25; C. F. Axelson, Northwestern Mutual, 1926; B. C. Howes, Berkshire, 1928; E. B. Thurman, New England Mutual, 1929; H. T. Wright, Equitable of New York, 1930; A. E. Patterson, Penn Mutual, 1931, and J. R. Hastie, Mutual of New York, 1932. S. D. Marquis, Provident Mutual, introduced Mr. Anderson.

Teaching of Fundamentals to New Agents and Not Technicalities, Is Called Primary Need in Agencies

New agents in many offices have been loaded up with facts and figures, perhaps at the expense of overlooking fundamentals of the business, Samuel Leland, Jr., president Life Agency Supervisors Association of Chicago, stated in a discussion on "Knowledge of the Business and Other Companies' Practices" at the November meeting. Agencies need to teach more fundamentals, to spend more time on salesmanship.

He cited a recent personal experience concerning a large producer of Chicago who specializes in annuities and is well up toward the heard of the list in his company country-wide. This man recently when called on for a rate on an annuity at a given age and specified form could not give it. The man's secretary dug into the rate book and produced the rate. The big producer did not know where to find it. He was not concerned with the price of the product he was selling but has achieved national prominence because of his ability to present to prospects and clients the basic idea of annuities and what they will accomplish.

Teaching of Fundamentals Called First Requisite

Mr. Leland suggested that perhaps new agents were taught too soon the details of arranging settlement options and other matters which he felt might wait until agents had learned fundamen-

tals and how to sell insurance. The main thing that should be taught at first, Mr. Leland said, is how the policy will protect the policyholder, his family and business.

S. A. Kemp, Prudential, association secretary, said in his organization they try to teach the new men what it is believed they should know first. It was discovered that the information which should be imparted in the first few weeks depended largely on the individual, his background and his ability to absorb. It was found that men who had worked outdoors most of their lives did not take kindly to books and schooling.

Use Simple Illustration of Insurance Functions

The agency adopted a plan of using the "rectangle" illustration of the functions of life insurance. This is the simple illustration in which a diagonal line from the lower left to upper right corner of the rectangle is drawn, this representing gradual accumulations of a man without benefit of life insurance, and the portion of the rectangle above this line representing the estate created by life insurance at the stroke of a pen.

Mr. Kemp said it has been found new agents effectively could present the basic idea of life insurance and sell policies with little more than this illustration. In the case of many new men in the Prudential ordinary agency at first they

C. L. U.

W. J. Lennox, New England Mutual, has been elected president of the San Francisco C. L. U. chapter. M. L. Fairchild, Connecticut General, is vice-president; Clifford Henderson, Prudential, secretary, and Gerald Whitaker, Travelers, Oakland, treasurer. Directors are T. A. Gallagher, retiring president; W. L. Eggleston, Sacramento, and J. L. Cline, Burlingame.

J. A. Grennan, east bay attorney, spoke on "Life Insurance as a Stabilizing Influence under Present Economic Conditions."

The American Central Life of Indianapolis has this year followed its custom of offering the entire facilities of its library to those of its field men studying for the C. L. U. examinations. This plan has been found to be of advantage to both the company and the representative. The home office is able to keep an accurate record of the progress of each candidate, and the field man is saved the expense of purchasing the required textbooks.

Prof. Fred V. Chew of the school of commerce, Indiana University, spoke at a meeting of the Indianapolis C. L. U. chapter Nov. 27 on "How Safe Is Life Insurance?" Professor Chew received the C. L. U. degree in 1929. Members joined in a seminar discussion following the address. President Howard E. Nyhart, Indianapolis, presided.

have been taught to use only this idea. Later they have been taught how to develop needs, then how to use the rate book, and finally have been given prepared sales talks built around particular forms of contracts.

"If an agent knows his stuff in the presence of the prospect," Mr. Kemp said, "he does not have to think of what to say and is more convincing." The consensus at the meeting was that many agencies try to cram too much information and data into the new agent's head. What is needed at first is training and presentation of one contract. After the agent has found himself, he is in better position to learn the technicalities of the business.

W. N. Hiller, Penn Mutual, said the main job is to get the new men equipped to sell quickly. Nevertheless there is good psychology in equipping the man to know his subject. In Mr. Hiller's agency the conservative middle course is followed. It is believed to be desirable to teach settlement options early. Mr. Hiller said agents in using settlement options create an estate for their policyholders and at the same time provide correct administration and liquidation.

Harry Anderson, Rockwood Company, declared that all information that can be given new men is helpful. He said an agent rarely knows what single statement he makes is responsible for the sale. It may be the last small item in the sales presentation that tips the scale in his favor. He considers use of settlement options by new agents highly important and also a planned sales talk.

In the Rockwood Company agents are encouraged to write out in the form of a letter a presentation of a policy. After revision in conference with the supervisor until the letter is an effective presentation, the agent is urged to learn what he has written and use it for a talk.



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ADVICE TO FORLORN POLICYHOLDERS

(CONTINUED FROM PAGE 3)

National Life, U. S. A. policies? You say in your paper about 25 or 30 percent. My guess is 50 percent. Why should I dodge the real issue if a friend or customer has a premium coming due and no one can tell his status?

"There are policyholders in the Missouri State Life who have been with the company a long time and who primarily are interested in the death benefit. In almost all these cases such a policyholder should continue. Where there is a younger policyholder I have a perfect right to advise him to drop his insurance in a failed company if I feel it is to his distinct advantage to do so. I may not be satisfied with the continuing contract that has been formed. I may not have full faith in the new arrangement that has been made. A policyholder has been called upon to make a sacrifice because some agent has put him in a poor company and if I think the time has come for him to start new in a good company, I am going to give him that sort of counsel.

State Departments Dormant

"The insurance departments of Missouri and Illinois in the past have had full opportunity to protect policyholders against the mulcting of companies. They have known that some companies have been declaring 100 percent stockholders' dividends, paying enormous salaries, using the money along more or less speculative lines or to bolster enterprises in which the management was directly interested. Yet not a halt was called on this financial exploitation.

"The insurance commissioner of Missouri certainly knew that there was exploitation in the extreme when the Missouri State directors backed a loan of \$800,000 to buy stock of the Kentucky Home Life, which had little or no value whatever. Out of the Missouri State

Life was taken \$800,000 of thoroughly good securities to meet the bill and today it holds the bag. State supervision has given a very discreditable account of itself in some commonwealths. Illinois has allowed companies to continue when the insurance department knew that their very foundations were being destroyed by the management. Yet not a hand was turned to stay the tide.

Should Have Used Big Stick

"A big stick could have been used at any time with great effectiveness. No company is going to defy the mandate of an honest, capable, courageous insurance superintendent. I am not reflecting on the present administration of the departments of these two states. The two commissioners inherited a decidedly bad mess. What I object to is in the face of this past record the commissioners now are attempting to prevent honest counsel being given policyholders.

"The term 'twisting' no longer applies to the salesman who intelligently and honestly differentiates between companies. There are thoroughly good companies in all classes. There are excellent small companies as well as large ones. There are the very best non-participating companies as well as participating. There are splendid institutions located all over the country.

Companies Must Be Classified

"We, however, must acknowledge that with the immediate past events so tragically before us, we cannot put all legal reserve companies in the same category. There are conscientiously managed companies and there are those that are commercially managed. There are companies whose management appreciates the responsibility resting upon it and there are others that do not care. The latter is out for everything that there is to be gotten and has but little regard for the trustee relationship.

"In my opinion there is going to be an entirely new and militant attitude toward advice given as to companies. I have no patience whatever with an insurance man who advises a policyholder to give up his insurance in a good company. We can no longer afford to tell a man because he has legal reserve insurance in a weak company or one that is being exploited that he has good insurance. It is up to the insurance commissioners to see to it that the commercial element is driven out of the business and companies are honestly conducted. There then would be little call for reflecting on any company."

Comment by an Official

An official of one of the best western companies in commenting on this question as to a new code of ethics said: "The trouble is in all cases where a transfer of insurance is made, the agent or advisor may not have all the facts before him. He may be moved and most likely is by self interest. I appreciate the fact that the time has come when there will have to be discrimination. Yet advice given to a man carrying insurance which leads him to drop his old insurance and take out new is fraught with much danger unless the counselor is well informed and sure of his ground.

"In case of a failed company much depends on what company takes it over and what the contract provides. If the

company assuming the business is sound and the contract is not unjust, then advice to transfer might not be in good grace. If, however, the succeeding company is in doubt, then of course, the whole outlook is changed. Suppose, for example, a man had \$10,000 insurance in one of these companies and his reserve had reached \$2,500? Under all the contracts that have been formed death claims will be paid in full. The provision may be for them to be paid in instalments but eventually the assured will get his death claim less interest on the lien. He cannot take paid up insurance, he cannot draw out any of his equity, he cannot take extended insurance because of the lien and moratorium granted. Yet if he starts out with new insurance it will take him some time to build up to where he had arrived with the failed company. If a company takes over a failed company on a fair and equitable basis and the new company is in sound financial condition and well managed there is no reason why the old policyholder will not be taken care of just as well, if not better, than if he started out again with another company."

To Preserve Municipal Credit

The American Life Convention committee appointed by the Financial Section to have under its wing especially the preservation of municipal credit is composed of H. V. Wade, United Mutual Life of Indianapolis, chairman; E. Lee Trinkle, president Shenandoah Life; Executive Vice-president O. J. Lacy, Minnesota Mutual, and Walter Schmidt, vice-president and general counsel Ohio National Life.

At the annual meeting of the Financial Section resolutions were passed denouncing the Sumner-Wilcox bill in Congress which provides for municipal bankruptcy machinery.

Brainard Party in Texas

M. B. Brainard, president Aetna Life; S. T. Whatley, vice-president in charge of agencies, and R. B. Coolidge, assistant superintendent of agencies, and H. W. Florer, agency assistant, who are touring the south and southwest, were guests at a luncheon at San Antonio, Tex., attended by the life, casualty and fiscal agents of the Aetna companies there, and a number of agents from points in south and southwest Texas.

Mr. Brainard and his associates also held a meeting in Oklahoma City, attended by about 60 Oklahoma agents.

Predicts New Gold Dollar

PHILADELPHIA, Nov. 29.—The United States is headed for a revaluation of the gold content of the dollar, which when attained, will bring prosperity, M. A. Linton, president Provident Mutual Life, stated at a meeting of investment women here.

Fred Daily, Lebanon, Ind., agent, has been found guilty of embezzlement in connection with alleged manipulations of loans on life policies. Conviction carried a sentence of one to seven years' imprisonment. Seven counts of embezzlement and forgery were lodged against him.

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